# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**
# Form 10-Q

**(Mark One)**

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

**For the quarterly period ended September 30, 2021**

**OR**

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

**For the transition period from _____ to _____ .**

**Commission File Number 001-33147**

# Evolve Transition Infrastructure LP

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

| **Delaware** | **11-3742489** |
|---|---|
| **(State or Other Jurisdiction of Incorporation or Organization)** | **(I.R.S. Employer Identification No.)** |
| **1360 Post Oak Blvd, Suite 2400 Houston, Texas** | **77056** |
| **(Address of Principal Executive Offices)** | **(Zip Code)** |

**(713) 783-8000**
**(Registrant's Telephone Number, Including Area Code)**

**(Former name, former address and former fiscal year, if changed since last report)**

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Units representing limited partner interests | SNMP | NYSE American |

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

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

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

| Large accelerated filer ☐ | Accelerated filer ☐ | Non-accelerated filer ☒ | Smaller reporting company ☒ | Emerging growth company ☐ |
|---|---|---|---|---|

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

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

Common units outstanding as of November 9, 2021: approximately 114,165,219 common units.

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## COMMONLY USED DEFINED TERMS

As used in this Quarterly Report on Form 10-Q (this "Form 10-Q"), unless the context indicates or otherwise requires, the following terms have the following meanings:

- "Evolve Transition Infrastructure," "the Partnership," "we," "us," "our" or like terms refer collectively to Evolve Transition Infrastructure LP, its consolidated subsidiaries and, where the context provides, the entities in which we have a 50% ownership interest.
- "Bbl" means one barrel of 42 U.S. gallons of oil or other liquid hydrocarbons.
- "Board" means the board of directors of our general partner.
- "Class C Preferred Units" means our Class C Preferred Units representing limited partner interests in Evolve Transition Infrastructure.
- "common units" means our common units representing limited partner interests in Evolve Transition Infrastructure.
- "Credit Agreement" means collectively, the Third Amended and Restated Credit Agreement, dated as of March 31, 2015, among the Partnership, Royal Bank of Canada, as administrative agent and collateral agent, and the lenders party thereto, as amended by (i) Amendment and Waiver of Third Amended and Restated Credit Agreement, dated as of August 12, 2015, (ii) Joinder, Assignment and Second Amendment to Third Amended and Restated Credit Agreement, dated as of October 14, 2015, (iii) Third Amendment to Third Amended and Restated Credit Agreement, dated as of November 12, 2015, (iv) Fourth Amendment to Third Amended and Restated Credit Agreement, dated as of July 5, 2016, (v) Fifth Amendment to Third Amended and Restated Credit Agreement, dated as of April 17, 2017, (vi) Sixth Amendment to Third Amended and Restated Credit Agreement, dated as of November 7, 2017, (vii) Seventh Amendment to Third Amended and Restated Credit Agreement, dated as of February 5, 2018, (viii) Eighth Amendment to Third Amended and Restated Credit Agreement, dated as of May 7, 2018, (ix) Ninth Amendment to Third Amended and Restated Credit Agreement, dated as of November 22, 2019, (x) Tenth Amendment to Third Amended and Restated Credit Agreement, dated as of November 6, 2020, (xi) Eleventh Amendment to Third Amended and Restated Credit Agreement, dated as of July 28, 2021 (individually, the "Eleventh Amendment"), and (xii) Twelfth Amendment to Third Amended and Restated Credit Agreement, dated as of August 20, 2021 (individually, the "Twelfth Amendment").
- "Gathering Agreement" means the Firm Gathering and Processing Agreement, dated as of October 14, 2015, by and between Catarina Midstream, LLC and SN Catarina LLC, as amended by Amendment No. 1 thereto, dated June 30, 2017.
- "MBbl" means one thousand Bbls.
- "MBbl/d" means one thousand barrels of oil or other liquid hydrocarbons per day.
- "Mesquite" means (i) at all times prior to June 30, 2020, Sanchez Energy Corporation and its consolidated subsidiaries, and (ii) at all times after and including June 30, 2020, Mesquite Energy, Inc. and its consolidated subsidiaries.
- "Mesquite Chapter 11 Case" means the voluntary petitions for reorganization under Chapter 11 of the United States Bankruptcy Code filed by the SN Debtors in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the "Bankruptcy Court").
- "MMBtu" means one million British thermal units.
- "MMcf/d" means one million cubic feet of natural gas per day.
- "NGLs" means natural gas liquids such as ethane, propane, butane, natural gasolines and other components that when removed from natural gas become liquid under various levels of higher pressure and lower temperature.
- "NYSE American" means NYSE American LLC.
- "our general partner" refers to Evolve Transition Infrastructure GP LLC, our general partner.
- "our partnership agreement" means the Third Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of August 2, 2019, as amended by the Stonepeak Letter Agreement (as defined herein), as amended by Amendment No. 1 thereto, dated as of February 12, 2021.

- “SEC” means the United States Securities and Exchange Commission.
- “Settlement Agreement” means the Settlement Agreement, dated June 6, 2020, as amended by that certain Amendment Agreement, dated as of June 14, 2020 and effective as of June 6, 2020, in each case, by and among the Partnership, our general partner, Catarina Midstream, LLC, Seco Pipeline, LLC, the SN Debtors, SP Holdings, Carnero G&P LLC and TPL SouthTex Processing Company LP.
- “Shared Services Agreement” means the Amended and Restated Shared Services Agreement between SP Holdings and the Partnership, dated as of March 6, 2015.
- “SN Debtors” means collectively, Mesquite, SN Palmetto, LLC, SN Marquis LLC, SN Cotulla Assets, LLC, SN Operating, LLC, SN TMS, LLC, SN Catarina, LLC, Rockin L Ranch Company, LLC, SN Payables, LLC, SN EF Maverick, LLC and SN UR Holdings, LLC.
- “SP Holdings” means SP Holdings, LLC, the sole member of our general partner.
- “Stonepeak” means Stonepeak Catarina and its subsidiaries, other than the Partnership.
- “Stonepeak Catarina” means Stonepeak Catarina Holdings, LLC.
- “Stonepeak Letter Agreement” means that certain letter agreement, dated as of November 16, 2020, by and between the Partnership and Stonepeak Catarina, wherein the parties agreed that Stonepeak Catarina will be able to elect to receive distributions on the Class C Preferred Units in common units for any quarter following the third quarter of 2020 by providing written noticed to the Partnership no later than the last day of the calendar month following the end of such quarter.
- “Stonepeak Warrant” means (i) at all times prior to February 24, 2021, that certain Warrant Exercisable for Junior Securities, issued to Stonepeak Catarina on August 2, 2019 (the “Original Warrant”); (ii) at all times from February 24, 2021 to May 4, 2021, the Original Warrant, as amended by Amendment No. 1 thereto, dated February 24, 2021; (iii) at all times from May 4, 2021 to August 2, 2021, the Original Warrant, as amended by Amendment No. 1 thereto, dated February 24, 2021, and Amendment No. 2 thereto, dated May 4, 2021; and (iv) at all times from August 2, 2021 through September 30, 2021, the Original Warrant, as amended by Amendment No. 1 thereto, dated February 24, 2021, Amendment No. 2 thereto, dated May 4, 2021, and Amendment No. 3 thereto, dated August 2, 2021.

**Cautionary Note Regarding Forward-Looking Statements**

This Form 10-Q contains "forward-looking statements" within the meaning of the federal securities laws. Except for statements of historical fact, all statements in this Form 10-Q constitute forward-looking statements. Forward-looking statements may be identified by words like "may," "could," "should," "expect," "plan," "project," "intend," "anticipate," "believe," "estimate," "predict," "potential," "pursue," "target," "continue," the negative of such terms or other similar expressions. The absence of such words or expressions does not necessarily mean the statements are not forward-looking.

The forward-looking statements contained in this Form 10-Q are largely based on our current expectations, which reflect estimates and assumptions made by the management of our general partner. Although we believe such estimates and assumptions to be reasonable, statements made regarding future results are not guarantees of future performance and are subject to numerous assumptions, uncertainties and risks that are beyond our control. Actual outcomes and results may be materially different from the results stated or implied in such forward-looking statements included in this report. You should not put any undue reliance on any forward-looking statement. All forward-looking information in this Form 10-Q and subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements.

Important factors that could cause our actual results to differ materially from the expectations reflected in the forward looking statements include, among others:

- our ability to successfully execute our business, acquisition and financing strategies, including our business strategy to focus on the ongoing energy transition in the industries in which we operate;
- our ability to successfully finance and develop the Initial Project (as defined herein) with HOBO Renewable Diesel LLC;
- changes in general economic conditions, including market and macro-economic disruptions resulting from the ongoing pandemic caused by a novel strain of coronavirus and related governmental responses;
- the ability of our customers to meet their drilling and development plans on a timely basis, or at all, and perform under gathering, processing and other agreements;
- the creditworthiness and performance of our counterparties, including financial institutions, operating partners, customers and other counterparties;
- our ability to grow enterprise value;
- the ability of our partners to perform under our joint ventures;
- the availability, proximity and capacity of, and costs associated with, gathering, processing, compression and transportation facilities;
- our ability to access the credit and capital markets to obtain financing on terms we deem acceptable, if at all, and to otherwise satisfy our capital expenditure requirements;
- the timing and extent of changes in prices for, and demand for, natural gas, NGLs and oil;
- competition in the oil and natural gas industry for employees and other personnel, equipment, materials and services and, related thereto, the availability and cost of employees and other personnel, equipment, materials and services;
- the extent to which our assets operated by others are operated successfully and economically;
- our ability to compete with other companies in the oil and natural gas and energy transition infrastructure industries;
- the impact of, and changes in, government policies, laws and regulations, including tax laws and regulations, environmental laws and regulations relating to air emissions, waste disposal, hydraulic fracturing and access to and use of water, laws and regulations imposing conditions and restrictions on drilling and completion operations;
- the use of competing energy sources and the development of alternative energy sources;
- unexpected results of litigation filed against us or other legal proceedings we are involved in;
- disruptions due to extreme weather conditions, such as extreme rainfall, hurricanes or tornadoes;
- the extent to which we incur uninsured losses and liabilities or losses and liabilities in excess of our insurance coverage; and

- the other factors described under “Part I, Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Part II, Item 1A. Risk Factors” and elsewhere in this Form 10-Q and in our other public filings with the SEC.

Management cautions all readers that the forward-looking statements contained in this Form 10-Q are not guarantees of future performance, and we cannot assure any reader that such statements will be realized or the forward-looking events and circumstances will occur. Actual results may differ materially from those anticipated or implied in forward-looking statements. The forward-looking statements speak only as of the date made, and other than as required by law, we do not intend to publicly update or revise any forward-looking statements as a result of new information, future events or otherwise. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf.

## PART I—FINANCIAL INFORMATION

**Item 1. Financial Statements**

**EVOLVE TRANSITION INFRASTRUCTURE LP and SUBSIDIARIES**

**Condensed Consolidated Statements of Operations**

**(In thousands, except unit data)**

**(Unaudited)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | **2021** | **2020** | **2021** | **2020** |
| **Revenues** | | | | |
| Gathering and transportation sales | $ — | $ — | $ — | $ 785 |
| Gathering and transportation lease revenues | 16,868 | 10,670 | 35,304 | 34,615 |
| **Total revenues** | 16,868 | 10,670 | 35,304 | 35,400 |
| **Expenses** | | | | |
| **Operating expenses** | | | | |
| Transportation operating expenses | 2,065 | 2,455 | 6,421 | 7,641 |
| General and administrative expenses | 4,460 | 2,693 | 13,964 | 10,980 |
| Unit-based compensation expense | 206 | 779 | 749 | 1,902 |
| Depreciation and amortization | 5,143 | 5,193 | 15,430 | 15,512 |
| Accretion expense | 98 | 89 | 287 | 263 |
| **Total operating expenses** | 11,972 | 11,209 | 36,851 | 36,298 |
| **Other (income) expense** | | | | |
| Interest expense, net | 31,141 | 24,015 | 89,525 | 70,188 |
| Loss (earnings) from equity investment | 1,734 | 441 | 1,406 | (2,254) |
| Other (income) expense | 687 | (2) | (114) | (10) |
| **Total other expenses** | 33,562 | 24,454 | 90,817 | 67,924 |
| **Total expenses** | 45,534 | 35,663 | 127,668 | 104,222 |
| **Loss before income taxes** | (28,666) | (24,993) | (92,364) | (68,822) |
| **Income tax expense (benefit)** | (19) | 43 | (17) | 140 |
| **Loss from continuing operations** | (28,647) | (25,036) | (92,347) | (68,962) |
| Income (loss) from discontinued operations | 187 | 419 | 1,289 | (19,613) |
| **Net loss** | $ (28,460) | $ (24,617) | $ (91,058) | $ (88,575) |
| **Loss from continuing operations per unit** | | | | |
| Common units - Basic and Diluted | $ (0.34) | $ (1.30) | $ (1.48) | $ (3.60) |
| **Loss from discontinued operations per unit** | | | | |
| Common units - Basic and Diluted | $ 0.00 | $ 0.02 | $ 0.02 | $ (1.02) |
| **Net loss per unit** | | | | |
| Common units - Basic and Diluted | $ (0.34) | $ (1.28) | $ (1.45) | $ (4.62) |
| **Weighted Average Units Outstanding** | | | | |
| Common units - Basic and Diluted | 84,338,011 | 19,264,636 | 62,599,574 | 19,164,245 |

See accompanying notes to condensed consolidated financial statements.

**EVOLVE TRANSITION INFRASTRUCTURE LP and SUBSIDIARIES**

**Condensed Consolidated Balance Sheets**

**(In thousands, except unit data)**

**(Unaudited)**

| | September 30, 2021 | December 31, 2020 |
|---|---|---|
| **ASSETS** | | |
| **Current assets** | | |
| Cash and cash equivalents | $ 1,403 | $ 1,718 |
| Accounts receivable | 11,388 | 5,259 |
| Prepaid expenses | 694 | 404 |
| Fair value of warrants | 160 | — |
| Current assets from discontinued operations | 516 | 1,602 |
| **Total current assets** | 14,161 | 8,983 |
| Gathering and transportation assets, net | 99,908 | 105,267 |
| Intangible assets, net | 121,693 | 131,786 |
| Equity investments | 76,515 | 89,635 |
| Other non-current assets | 75 | 25 |
| Long-term assets from discontinued operations | — | 18,082 |
| **Total assets** | $ 312,352 | $ 353,778 |
| **LIABILITIES AND PARTNERS' CAPITAL** | | |
| **Current liabilities** | | |
| Accounts payable and accrued liabilities | $ 3,127 | $ 4,079 |
| Accounts payable and accrued liabilities - related entities | 12,869 | 25,737 |
| Royalties payable | 359 | 359 |
| Short-term debt, net of debt issuance costs | 8,888 | 110,233 |
| Class C Preferred Units | 382,876 | 345,205 |
| Current liabilities from discontinued operations | — | 341 |
| **Total current liabilities** | 408,119 | 485,954 |
| **Other liabilities** | | |
| Long term accrued liabilities - related entities | 16,930 | 12,137 |
| Asset retirement obligation | 4,600 | 4,313 |
| Long-term debt, net of discount and debt issuance costs | 45,131 | — |
| Other liabilities | 11,990 | 1,766 |
| Long-term liabilities from discontinued operations | — | 3,152 |
| **Total other liabilities** | 78,651 | 21,368 |
| **Total liabilities** | 486,770 | 507,322 |
| **Commitments and contingencies (See Note 12)** | | |
| **Partners' deficit** | | |
| Common units, 96,465,219 and 19,953,880 units issued and outstanding as of September 30, 2021 and December 31, 2020, respectively | (174,418) | (153,544) |
| **Total partners' deficit** | (174,418) | (153,544) |
| **Total liabilities and partners' capital** | $ 312,352 | $ 353,778 |

See accompanying notes to condensed consolidated financial statements.

**EVOLVE TRANSITION INFRASTRUCTURE LP and SUBSIDIARIES**
**Condensed Consolidated Statements of Cash Flows**
**(In thousands)**
**(Unaudited)**

| | Nine Months Ended September 30, | |
|---|---|---|
| | **2021** | **2020** |
| **Cash flows from operating activities:** | | |
| Net loss | $ (91,058) | $ (88,575) |
| Adjustments to reconcile net loss to cash provided by operating activities: | | |
| Depreciation, depletion and amortization | 5,777 | 7,275 |
| Amortization of debt issuance costs | 828 | 553 |
| Accretion of Class C discount | 37,671 | 28,110 |
| Class C distribution accrual | — | 37,448 |
| Asset impairments | — | 23,247 |
| Accretion expense | 360 | 422 |
| Distributions from equity investments | 11,946 | 7,624 |
| Equity earnings in affiliate | 1,406 | (2,254) |
| Bad debt expense | (1,926) | — |
| Gain on sale of assets | (537) | — |
| Mark-to-market on Stonepeak Warrant | 10,234 | (22) |
| Net gain on commodity derivative contracts | — | (4,008) |
| Net cash settlements received on commodity derivative contracts | 101 | 2,394 |
| Gain on Nuvve Holding Warrants | (160) | — |
| Unit-based compensation | 2,291 | 823 |
| Amortization of intangible assets | 10,093 | 10,093 |
| **Changes in Operating Assets and Liabilities:** | | |
| Accounts receivable | (5,161) | (6,994) |
| Accounts receivable - related entities | — | 6,719 |
| Prepaid expenses | (99) | 393 |
| Other assets | 118 | (96) |
| Accounts payable and accrued liabilities | 50,663 | (300) |
| Accounts payable and accrued liabilities- related entities | (8,075) | 1,591 |
| Other long-term liabilities | 338 | — |
| Net cash provided by operating activities | 24,810 | 24,443 |
| **Cash flows from investing activities:** | | |
| Proceeds from sales of oil and natural gas properties | 15,721 | — |
| Development of oil and natural gas properties | — | 5 |
| Construction of gathering and transportation assets | (41) | (182) |
| Contributions to equity affiliates | (232) | — |
| Net cash provided by (used in) investing activities | 15,448 | (177) |
| **Cash flows from financing activities:** | | |
| Repayment of debt | (61,800) | (34,000) |
| Proceeds from issuance of debt | 5,500 | 7,000 |
| Issuance of common units | 17,051 | — |
| Payments for offering costs | (582) | — |
| Units tendered by employees for tax withholdings | — | (41) |
| Debt issuance costs | (742) | (132) |
| Net cash used in financing activities | (40,573) | (27,173) |
| Net decrease in cash and cash equivalents | (315) | (2,907) |
| Cash and cash equivalents, beginning of period | 1,718 | 5,099 |
| Cash and cash equivalents, end of period | $ 1,403 | $ 2,192 |
| **Supplemental disclosures of cash flow information:** | | |
| Cash paid during the period for income tax | $ 139 | $ 243 |
| Cash paid during the period for interest | $ 2,184 | $ 4,259 |

See accompanying notes to condensed consolidated financial statements.

**EVOLVE TRANSITION INFRASTRUCTURE LP and SUBSIDIARIES**

**Condensed Consolidated Statements of Changes in Partners' Capital**

**(In thousands, except unit data)**

**(Unaudited)**

| | Common Units | | Total |
|---|---|---|---|
| | Units | Amount | Capital |
| **Partners' Deficit, December 31, 2020** | 19,953,880 | $ (153,544) | $ (153,544) |
| Unit-based compensation programs | 1,511,138 | 1,879 | 1,879 |
| Common units issued as Class C Preferred distributions | 34,720,360 | 25,685 | 25,685 |
| Net loss | — | (34,805) | (34,805) |
| **Partners' Deficit, March 31, 2021** | 56,185,378 | (160,785) | (160,785) |
| Unit-based compensation programs | — | 206 | 206 |
| Issuance of common units, net of offering costs of $0.3 million | 8,774,888 | 6,720 | 6,720 |
| Common units issued as Class C Preferred distributions | 13,763,249 | 12,869 | 12,869 |
| Net loss | — | (27,796) | (27,796) |
| **Partners' Deficit, June 30, 2021** | 78,723,515 | (168,786) | (168,786) |
| Unit-based compensation programs | — | 206 | 206 |
| Issuance of common units, net of offering costs of $0.2 million | 9,728,854 | 9,753 | 9,753 |
| Common units issued as Class C Preferred distributions | 8,012,850 | 12,869 | 12,869 |
| Net loss | — | (28,460) | (28,460) |
| **Partners' Deficit, September 30, 2021** | 96,465,219 | $ (174,418) | $ (174,418) |

| | Common Units | | Total |
|---|---|---|---|
| | Units | Amount | Capital |
| **Partners' Deficit, December 31, 2019** | 20,087,462 | $ (35,800) | $ (35,800) |
| Unit-based compensation programs | (23,387) | 243 | 243 |
| Units tendered by SOG employees for tax withholdings | (88,819) | (31) | (31) |
| Net loss | — | (41,341) | (41,341) |
| **Partners' Deficit, March 31, 2020** | 19,975,256 | (76,929) | (76,929) |
| Unit-based compensation programs | (126) | 266 | 266 |
| Units tendered by SOG employees for tax withholdings | (19,867) | (11) | (11) |
| Net loss | — | (22,617) | (22,617) |
| **Partners' Deficit, June 30, 2020** | 19,955,263 | (99,291) | (99,291) |
| Unit-based compensation programs | (1,383) | 314 | 314 |
| Net loss | — | (24,617) | (24,617) |
| **Partners' Deficit, September 30, 2020** | 19,953,880 | $ (123,594) | $ (123,594) |

See accompanying notes to condensed consolidated financial statements.

**(Unaudited)**

## 1. ORGANIZATION AND BUSINESS

***Organization***

We are a publicly-traded limited partnership formed in 2005 focused on the acquisition, development, and ownership of infrastructure critical to the transition of energy supply to lower carbon sources. We own natural gas gathering systems, pipelines, and processing facilities in South Texas and continue to pursue energy transition infrastructure opportunities. Our common units are currently listed on the NYSE American under the symbol “SNMP.”

On February 26, 2021, in connection with our management team’s focus on expanding our business strategy to focus on the ongoing energy transition in the industries in which we operate, we changed our name to Evolve Transition Infrastructure LP and our general partner changed its name to Evolve Transition Infrastructure GP LLC.

## 2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Basis of Presentation***

Accounting policies used by us conform to accounting principles generally accepted in the United States of America (“GAAP”). The accompanying financial statements include the accounts of us and our wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

These unaudited condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the SEC. Certain information and footnote disclosures, normally included in annual financial statements prepared in accordance with GAAP, have been condensed or omitted pursuant to those rules and regulations. We believe that the disclosures made are adequate to make the information presented not misleading. In the opinion of management, all adjustments, consisting only of normal recurring adjustments, necessary to fairly state the financial position, results of operations and cash flows with respect to the interim condensed consolidated financial statements have been included. The results of operations for the interim periods are not necessarily indicative of the results for the entire year.

These unaudited condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2020, which was filed with the SEC on March 16, 2021.

***Recent Accounting Pronouncements***

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (“FASB”), which are adopted by us as of the specified effective date. Unless otherwise discussed, management believes that the impact of recently issued standards, which are not effective, will not have a material impact on our consolidated financial statements upon adoption.

In January 2020, the FASB issued Accounting Standards Update (“ASU”) 2020-01 “Investments – Equity Securities (Topic 321), Investments – Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815),” which clarifies the interaction among the accounting standards for equity securities, equity method investments and certain derivatives. This ASU is effective for public business entities for annual and interim periods in fiscal years beginning after December 15, 2020. The adoption of this standard did not have a material impact on our condensed consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, “Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.” This ASU modifies the impairment model to utilize an expected loss methodology in place of the currently used incurred loss methodology, which will result in more timely recognition of losses. Additionally, in November 2019, the FASB issued ASU 2019-10, “Financial Instruments – Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates,” which changed the effective date for certain issuers to annual and interim periods in fiscal years beginning after December 15, 2022, and earlier adoption is permitted. We are currently in the process of evaluating the impact of adoption of this guidance on our condensed consolidated financial statements.

Other accounting standards that have been issued by the FASB or other standards-setting bodies are not expected to have a material impact on the Partnership's financial position, results of operations and cash flows.

***Use of Estimates***

The condensed consolidated financial statements are prepared in conformity with GAAP, which requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. These estimates and the underlying assumptions affect the amounts of assets and liabilities reported, disclosures about contingent assets and liabilities and reported amounts of revenues and expenses. The estimates that are particularly significant to our financial statements include estimates of our reserves of natural gas, NGLs and oil; future cash flows from oil and natural gas properties; depreciation, depletion and amortization; asset retirement obligations; certain revenues and operating expenses; fair values of derivatives; and fair values of assets and liabilities. As fair value is a market-based measurement, it is determined based on the assumptions that market participants would use. These estimates and assumptions are based on management's best judgment using the data available. Management evaluates its estimates and assumptions on an on-going basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. Such estimates and assumptions are adjusted when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ from the estimates. Any changes in estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods.

**3. DISCONTINUED OPERATIONS**

*Palmetto Divestiture*

On April 30, 2021, but effective March 1, 2021 (the "Palmetto Effective Time"), SEP Holdings IV, LLC ("SEP IV"), a wholly-owned subsidiary of the Partnership entered into a purchase agreement (the "Palmetto PSA") with Westhoff Palmetto LP ("Palmetto Buyer"), pursuant to which SEP IV sold to Palmetto Buyer specified wellbores and other associated assets located in Gonzales and Dewitt Counties, Texas (the "Palmetto Assets") for a base purchase price of approximately $11.5 million, including the impact of final post-closing adjustments (the "Palmetto Divestiture"). Pursuant to the Palmetto PSA, other than a limited amount of retained obligations, Palmetto Buyer has agreed to assume all obligations relating to the Palmetto Assets that arose on or after the Palmetto Effective Time. The Palmetto PSA contains customary representations and warranties by SEP IV and Palmetto Buyer, and SEP IV and Palmetto Buyer have agreed to customary indemnities relating to breaches of representations, warranties and covenants and the payment of assumed and excluded obligations. The Palmetto Divestiture closed simultaneously with the execution of the Palmetto PSA and we recorded a gain of approximately $0.3 million on the sale.

*Maverick Divestitures*

On April 30, 2021, but effective March 1, 2021 (the "Maverick Effective Time"), SEP IV entered into a purchase agreement (the "Maverick PSA") with Bayshore Energy TX LLC ("Maverick Buyer"), pursuant to which SEP IV sold to Maverick Buyer specified wellbores and other associated assets located in Zavala County, Texas (the "Maverick 1 Assets") for a base purchase price of approximately $2.8 million, which remains subject to final post-closing adjustments expected in the fourth quarter of 2021 (the "Maverick 1 Divestiture"). Pursuant to the Maverick PSA, other than a limited amount of retained obligations, Maverick Buyer has agreed to assume all obligations relating to the Maverick 1 Assets that arose on or after the Maverick Effective Time. The Maverick PSA contains customary representations and warranties by SEP IV and Maverick Buyer, and SEP IV and Maverick Buyer agreed to customary indemnities relating to breaches of representations, warranties and covenants and the payment of assumed and excluded obligations. The Maverick 1 Divestiture closed simultaneously with the execution of the Maverick PSA.

Also on April 30, 2021, SEP IV entered into a letter agreement with Maverick Buyer (the "Maverick Letter Agreement") pursuant to which SEP IV agreed to sell additional other specified wellbores and other associated assets located in Zavala and Dimmit Counties, Texas (the "Maverick 2 Assets") for a base purchase price of approximately $1.4 million, which remains subject to final post-closing adjustments expected in the fourth quarter of 2021 (the "Maverick 2 Divestiture"). The closing of the Maverick 2 Divestiture was conditioned upon SEP IV obtaining certain consents and complying with other preferential rights related to the Maverick 2 Assets. Following the entrance into the Maverick Letter Agreement, SEP IV complied with the preferential rights and obtained multiple consents related to the Maverick 2 Assets. SEP IV did not obtain one of the required consents and, as a result, the Maverick 2 Assets subject to such consent were removed from the Maverick 2 Assets included in the Maverick 2 Divestiture (the "Updated Maverick 2 Assets") and the base purchase price was adjusted downward by approximately $31,000.

On May 14, 2021, but effective as of the Maverick Effective Time, SEP IV and Maverick Buyer entered into a purchase agreement (the "Maverick 2 PSA") pursuant to which SEP IV sold to Maverick Buyer the Updated Maverick 2 Assets. Pursuant to the Maverick 2 PSA, other than a limited amount of retained obligations, Maverick Buyer agreed to assume all obligations and liabilities related to the Updated Maverick 2 Assets that arose on or after the Maverick Effective Time. The Maverick 2 PSA contains customary representations

and warranties by SEP IV and Maverick Buyer, and SEP IV and Maverick Buyer agreed to customary indemnities relating to breaches of representations, warranties and covenants and the payment of assumed and excluded obligations. The Maverick 2 Divestiture closed simultaneously with the execution of the Maverick 2 PSA.

On August 13, 2021, but effect as of the Maverick Effective Time, SEP IV and Maverick Buyer entered into a Purchase Agreement (the "Maverick 3 PSA") pursuant to which SEP IV sold to Maverick Buyer specified wellbores and other associated assets located in Zavala County, Texas, including the remaining Maverick 2 Assets excluded from the original closing of the Maverick 2 Divestiture (the "Maverick 3 Assets") for a base purchase price of approximately $31,000, which remains subject to final post-closing adjustments expected in the fourth quarter of 2021 (the "Maverick 3 Divestiture" and together with the Maverick 1 Divestiture and the Maverick 2 Divestiture, the "Maverick Divestitures"). Pursuant to the Maverick 3 PSA, other than a limited amount of retained obligations, Maverick Buyer agreed to assume all obligations and liabilities related to the Maverick 3 Assets that arose on or after the Maverick Effective Time. The Maverick 3 PSA contains customary representations and warranties by SEP IV and Maverick Buyer, and SEP IV and Maverick Buyer agreed to customary indemnities relating to breaches of representations, warranties and covenants and the payment of assumed and excluded obligations. The Maverick 3 Divestiture closed simultaneously with the execution of the Maverick 3 PSA.

We recorded a net gain of approximately $0.2 million related to the Maverick Divestitures.

Information related to the upstream oil and natural gas assets sold have been reflected in the condensed consolidated financial statements as discontinued operations. The following table presents the results of operations and the gain on disposal which has been included in discontinued operations (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 |
| **Revenues** | | | | |
| Natural gas sales | $ — | $ 16 | $ 255 | $ 334 |
| Oil sales | 5 | 1,755 | 3,241 | 9,129 |
| Natural gas liquid sales | — | 69 | 182 | 170 |
| **Total revenues** | 5 | 1,840 | 3,678 | 9,633 |
| **Expenses** | | | | |
| **Operating expenses** | | | | |
| Lease operating expenses | 20 | 891 | 1,797 | 3,859 |
| Production taxes | — | 112 | 160 | 262 |
| Gain on sale of assets | (203) | — | (537) | — |
| Depreciation, depletion and amortization | — | 360 | 439 | 1,856 |
| Asset impairments | — | — | — | 23,247 |
| Accretion expense | — | 55 | 73 | 159 |
| **Total operating expenses** | (183) | 1,418 | 1,932 | 29,383 |
| **Income (loss) before income taxes** | 188 | 422 | 1,746 | (19,750) |
| **Income tax expense (benefit)** | 1 | 3 | 457 | (137) |
| **Income (loss) from discontinued operations** | $ 187 | $ 419 | $ 1,289 | $ (19,613) |

## 4. REVENUE RECOGNITION

***Revenue from Contracts with Customers***

We account for revenue from contracts with customers in accordance with ASC 606, "Revenue from Contracts with Customers." The unit of account in ASC 606 is a performance obligation, which is a promise in a contract to transfer to a customer either a distinct good or service (or bundle of goods or services) or a series of distinct goods or services provided over a period of time. ASC 606 requires that a contract's transaction price, which is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, is to be allocated to each performance obligation in the contract based on relative standalone selling prices and recognized as revenue when (point in time) or as (over time) the performance obligation is satisfied.

*Disaggregation of Revenue*

We recognized revenue of approximately $16.9 million and $35.3 million for the three and nine months ended September 30, 2021, respectively. We disaggregate revenue based on revenue and product type. In selecting the disaggregation categories, we considered a number of factors, including disclosures presented outside the financial statements, such as in our earnings release and investor

presentations, information reviewed internally for evaluating performance, and other factors used by the Partnership or the users of its financial statements to evaluate performance or allocate resources. We have concluded that disaggregating revenue by revenue and product type appropriately depicts how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

The Firm Transportation Service Agreement, dated September 1, 2017, by and between Seco Pipeline, LLC and SN Catarina, LLC (the "Seco Pipeline Transportation Agreement") is the only contract that we historically accounted for under ASC 606. The Seco Pipeline Transportation Agreement was terminated by Mesquite effective February 12, 2020. The Gathering Agreement is classified as an operating lease and is accounted for under ASC 842, "Leases" and is reported as gathering and transportation lease revenues in our condensed consolidated statements of operations.

We account for income from our unconsolidated equity method investments as earnings from equity investments in our condensed consolidated statements of operations. Earnings from these equity method investments are further discussed in Note 11 "Investments."

*Performance Obligations*

Pursuant to the Seco Pipeline Transportation Agreement, we agreed to provide transportation services of certain quantities of natural gas from the receipt point to the delivery point. Each MMBtu of natural gas transported is distinct and the transportation services performed on each distinct molecule of product is substantially the same in nature. We applied the series guidance and treated these services as a single performance obligation satisfied over time using volumes delivered as the measure of progress. The Seco Pipeline Transportation Agreement required payment within 30 days following the calendar month of delivery.

The Seco Pipeline Transportation Agreement contained variable consideration in the form of volume variability. As the distinct goods or services (rather than the series) are considered for the purpose of allocating variable consideration, we have taken the optional exception under ASC 606 which is available only for wholly unsatisfied performance obligations for which the criteria in ASC 606 have been met. Under this exception, neither estimation of variable consideration nor disclosure of the transaction price allocated to the remaining performance obligations is required. Revenue is alternatively recognized in the period that control is transferred to the customer and the respective variable component of the total transaction price is resolved.

For forms of variable consideration that are not associated with a specific volume (such as late payment fees) and thus do not meet allocation exception, estimation is required. These fees, however, are immaterial to our condensed consolidated financial statements and have a low probability of occurrence. As significant reversals of revenue due to this variability are not probable, no estimation is required.

*Contract Balances*

Under our sales contracts, we invoice customers after our performance obligations have been satisfied, at which point payment is unconditional. Accordingly, our contracts do not give rise to contract assets or liabilities under ASC 606. At September 30, 2021 and December 31, 2020, our accounts receivables from contracts with customers were zero and approximately $1.9 million, respectively.

**5. FAIR VALUE MEASUREMENTS**

Measurements of fair value of derivative instruments are classified according to the fair value hierarchy, which prioritizes the inputs to the valuation techniques used to measure fair value. Fair value is the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are classified and disclosed in one of the following categories:

**Level 1:** Measured based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. Active markets are considered those in which transactions for the assets or liabilities occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

**Level 2:** Measured based on quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability. Substantially all of these inputs are observable in the marketplace throughout the term of the instrument, can be derived from observable data, or supported by observable levels at which transactions are executed in the marketplace.

**Level 3:** Measured based on prices or valuation models that require inputs that are both significant to the fair value measurement and less observable from objective sources (i.e., supported by little or no market activity).

Financial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement. Management's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels.

The following table summarizes the fair value of our assets and liabilities that were accounted for at fair value on a recurring basis as of September 30, 2021 (in thousands):

| | Fair Value Measurements at September 30, 2021 | | | |
|---|---|---|---|---|
| | Active Markets for Identical Assets (Level 1) | Observable Inputs (Level 2) | Unobservable Inputs (Level 3) | Fair Value |
| Fair value of warrants | | | | |
| Nuvve Holding Warrants | $ — | $ 160 | $ — | $ 160 |
| Other liabilities | | | | |
| Stonepeak Warrant | — | (11,654) | — | (11,654) |
| Total | $ — | $ (11,494) | $ — | $ (11,494) |

The following table summarizes the fair value of our assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2020 (in thousands):

| | Fair Value Measurements at December 31, 2020 | | | |
|---|---|---|---|---|
| | Active Markets for Identical Assets (Level 1) | Observable Inputs (Level 2) | Unobservable Inputs (Level 3) | Fair Value |
| Other liabilities | | | | |
| Stonepeak Warrant | — | (1,418) | — | (1,418) |
| Total | $ — | $ (1,418) | $ — | $ (1,418) |

As of September 30, 2021 and December 31, 2020, the estimated fair value of cash and cash equivalents, accounts receivable, other current assets and current liabilities approximated their carrying value due to their short-term nature.

*Fair Value on a Non-Recurring Basis*

The Partnership follows the provisions of Topic 820-10, “Fair Value Measurement,” for nonfinancial assets and liabilities measured at fair value on a non-recurring basis. The fair value measurements of assets acquired and liabilities assumed are based on inputs that are not observable in the market and therefore represent Level 3 inputs under the fair value hierarchy. We periodically review oil and natural gas properties and related equipment for impairment when facts and circumstances indicate that their carrying values may not be recoverable.

A reconciliation of the beginning and ending balances of the Partnership’s asset retirement obligations is presented in Note 9 “Asset Retirement Obligation.”

The following table summarizes the non-recurring fair value measurements of our production assets as of December 31, 2020 (in thousands):

| | Fair Value Measurements at December 31, 2020 | | |
|---|---|---|---|
| | Active Markets for Identical Assets (Level 1) | Observable Inputs (Level 2) | Unobservable Inputs (Level 3) |
| Impairment[(a)] | $ — | $ — | $ 12,884 |
| Total net assets | $ — | $ — | $ 12,884 |

(a) During the year ended December 31, 2020, we recorded a non-cash impairment charge of $23.4 million to impair our producing oil and natural gas properties and $0.9 million to impair the Seco Pipeline. The carrying values of the impaired properties were reduced to a fair value of approximately $12.9 million, estimated using inputs characteristic of a Level 3 fair value measurement.

The fair values of oil and natural gas properties and related equipment were measured using valuation techniques that convert future cash flows to a single discounted amount. Significant inputs to the valuation of oil and natural gas properties and related equipment include estimates of: (i) reserves; (ii) future operating and development costs; (iii) future commodity prices; (iv) estimated future cash flows; (v) estimated throughput; and (vi) a market-based weighted average cost of capital rate of 15%. These inputs require significant judgments and estimates by the Partnership’s management at the time of the valuation and are the most sensitive and subject to change.

*Seco Pipeline* – We own and operate a 30-mile natural gas pipeline with 400 MMcf/d capacity that is designed to transport dry gas to multiple markets in South Texas (the “Seco Pipeline”). As of December 31, 2020, we recorded a non-cash impairment charge of $0.9 million to impair the Seco Pipeline. The carrying value of the Seco Pipeline was reduced to a fair value of zero, estimated based on inputs characteristic of a Level 3 fair value measurement.

The fair value of the Seco Pipeline was measured using probabilistic valuation techniques that convert future cash flows to a single discounted amount. Significant inputs to the valuation of the Seco Pipeline include estimates of: (i) future operating and development costs; (ii) estimated future cash flows; and (iii) a market-based weighted average cost of capital rate. These inputs require significant judgments and estimates by the Partnership's management at the time of the valuation and are the most sensitive and subject to change.

*Fair Value of Financial Instruments*

The estimated fair value amounts of financial instruments have been determined using available market information and valuation methodologies described below. We prioritize the use of the highest level inputs available in determining fair value such that fair value measurements are determined using the highest and best use as determined by market participants and the assumptions that they would use in determining fair value.

*Credit Agreement* – We believe that the carrying value of our Credit Agreement (as defined in Note 7 "Debt") approximates its fair value because the interest rates on the debt approximate market interest rates for debt with similar terms. The debt is classified as a Level 2 input in the fair value hierarchy and represents the amount at which the instrument could be valued in an exchange during a current transaction between willing parties. The Credit Agreement is discussed further in Note 7 "Debt."

*Nuvve Holding Warrants* – The Nuvve Holding Warrants (as defined in Note 6. "Derivative and Financial Instruments") are valued using the value of Nuvve's common stock and the Nuvve Holding Warrants exercise price. We have therefore classified the fair value measurement of the Nuvve Holding Warrants as Level 2 and is presented within fair value of warrants on the condensed consolidated balance sheets.

*Stonepeak Warrant* – As part of the Exchange (as defined in Note 15. "Partners' Capital"), the Partnership issued to Stonepeak Catarina the Stonepeak Warrant which entitles the holder to receive junior securities of the Partnership representing ten percent of junior securities deemed outstanding when exercised. The Stonepeak Warrant is valued using ten percent of the Partnership's junior securities deemed outstanding and the common unit price as of the balance sheet date. We have therefore classified the fair value measurement of the Stonepeak Warrant as Level 2 and is presented within other liabilities on the condensed consolidated balance sheets.

*Earnout Derivative* – As part of the Carnero Gathering Transaction (as defined in Note 11 "Investments"), we are required to pay Mesquite an earnout based on natural gas received above a threshold volume and tariff at designated delivery points from Mesquite and other producers. The earnout derivative was valued through the use of a Monte Carlo simulation model which utilized observable inputs such as the earnout price and volume commitment, as well as unobservable inputs related to the weighted probabilities of various throughput scenarios. We have therefore classified the fair value measurements of the earnout derivative as Level 3 inputs. As of September 30, 2021 and December 31, 2020, the fair value of the earnout was determined to be zero.

**6. DERIVATIVE AND FINANCIAL INSTRUMENTS**

On May 17, 2021, the Partnership entered into a letter agreement (the "Levo Letter Agreement") with Nuvve Holding Corp. ("Nuvve Holding") and Stonepeak Rocket Holdings LP ("Stonepeak Rocket"), relating to the proposed formation of a joint venture, Levo Mobility LLC ("Levo" and such proposed joint venture, the "Levo JV"). In connection with the Levo Letter Agreement, on May 17, 2021, Nuvve Holding issued ten-year warrants to the Partnership as follows: (i) Series B Warrants to purchase 200,000 shares of Nuvve Holding's common stock, at an exercise price of $10.00 per share, which are fully vested upon issuance, (ii) Series C warrants to purchase 100,000 shares of Nuvve Holding's common stock, at an exercise price of $15.00 per share, which are vested as to 50% of the shares upon issuance and vest as to the remaining 50% when Levo has entered into contracts with third parties for $125 million in aggregate capital expenditures; (iii) Series D warrants to purchase 100,000 shares of Nuvve Holding's common stock, at an exercise price of $20.00 per share, which are vested as to 50% of the shares upon issuance and vest as to the remaining 50% when Levo has entered into contracts with third parties for $250 million in aggregate capital expenditures; (iv) Series E warrants to purchase 100,000 shares of Nuvve Holding's common stock, at an exercise price of $30.00 per share, which are vested as to 50% of the shares upon issuance and vest as to the remaining 50% when Levo has entered into contracts with third parties for $375 million in aggregate capital expenditures; and (v) Series F warrants to purchase 100,000 shares of Nuvve Holding's common stock, at an exercise price of $40.00 per share, which are vested as to 50% of the shares upon issuance and vest as to the remaining 50% when Levo has entered into contracts with third parties for $500 million in aggregate capital expenditures (collectively the "Nuvve Holding Warrants").The Nuvve Holding Warrants are accounted for in accordance with Topic 815, "Derivatives and Hedging," and are recorded on the condensed consolidated balance sheets at fair value. Changes in the Nuvve Holding Warrants fair value are recognized in earnings and included in other income on the condensed consolidated statements of operations.

The following table sets forth a reconciliation of the changes in fair value of the Partnership's Nuvve Holding Warrants for the periods indicated (in thousands):

| | Nine Months Ended September 30, 2021 |
|---|---|
| Beginning fair value of warrants | $ — |
| Net gain (loss) on warrants | 160 |
| Ending fair value of warrants | $ 160 |

To reduce the impact of fluctuations in oil and natural gas prices on our revenues, we historically entered into derivative contracts with respect to a portion of our projected oil and natural gas production through various transactions that fix or modify the future prices to be realized. We did not hedge any of our expected production volumes for 2021. Our historical hedging activities were intended to support oil and natural gas prices at targeted levels and to manage exposure to oil and natural gas price fluctuations. It was never our intention to enter into derivative contracts for speculative trading purposes.

Under Topic 815, "Derivatives and Hedging," all derivative instruments are recorded on the condensed consolidated balance sheets at fair value as either short-term or long-term assets or liabilities based on their anticipated settlement date. We will net derivative assets and liabilities for counterparties where we have a legal right of offset. Changes in the derivatives' fair values are recognized currently in earnings unless specific hedge accounting criteria are met. We have not elected to designate any of our current derivative contracts as hedges; however, changes in the fair value of all of our derivative instruments are recognized in earnings and included in natural gas sales and oil sales in the condensed consolidated statements of operations. We do not have derivative contracts related to production in 2021 and beyond.

The following table sets forth a reconciliation of the changes in fair value of the Partnership's commodity derivatives for the year ended December 31, 2020 (in thousands):

| | Year Ended December 31, 2020 |
|---|---|
| Beginning fair value of commodity derivatives | $ (759) |
| Net gains (losses) on crude oil derivatives | 3,814 |
| Net gains on natural gas derivatives | 87 |
| Net settlements received on derivative contracts: | |
| Oil | (2,829) |
| Natural gas | (313) |
| Ending fair value of commodity derivatives | $ — |

The effect of derivative instruments on our condensed consolidated statements of operations for each of the three and nine months ended September 30, 2020 was as follows (in thousands). As disclosed above, we did not hedge any of our expected production volumes for 2021.

| Derivative Type | Location of Gain (Loss) in Income | Three Months Ended September 30, September 30, 2020 | Nine Months Ended September 30, September 30, 2020 |
|---|---|---|---|
| Commodity – Mark-to-Market | Income (loss) from discontinued operations | $ (115) | $ 3,912 |
| Commodity – Mark-to-Market | Income (loss) from discontinued operations | (55) | 96 |
| | | $ (170) | $ 4,008 |

*Earnout Derivative*

Refer to Note 5 "Fair Value Measurements."

## 7. DEBT

### Credit Agreement

We have entered into a credit facility with Royal Bank of Canada, as administrative agent and collateral agent, and the lenders party thereto, as amended through the date of the Twelfth Amendment to Third Amended and Restated Credit Agreement, dated as of August 20, 2021 (the "Credit Agreement"). The Credit Agreement provides a quarterly amortizing term loan of $65.0 million (the "Term Loan") and a maximum revolving credit amount of $5.0 million (the "Revolving Loan"). The Credit Agreement matures on September 30, 2023. Borrowings under the Credit Agreement are secured by various mortgages of midstream properties that we own as well as various security and pledge agreements among us, certain of our subsidiaries and the administrative agent.

Borrowings under the Credit Agreement are available for limited direct investment in midstream properties, acquisitions, and working capital and general business purposes. The Credit Agreement has a sub-limit of up to $2.5 million which may be used for the issuance of letters of credit. As of September 30, 2021, we had approximately $54.7 million of debt outstanding, consisting of approximately $52.2 million under the Term Loan and approximately $2.5 million under the Revolving Loan. We are required to make mandatory amortizing payments of outstanding principal on the Term Loan of (i) $3.0 million per fiscal quarter commencing with the quarter ending December 31, 2021, and (ii) $2.0 million per fiscal quarter commencing with the quarter ending March 31, 2023. The maximum revolving credit amount is $5.0 million leaving us with approximately $2.5 million in unused borrowing capacity. There were no letters of credit outstanding under our Credit Agreement as of September 30, 2021.

At our election, interest for borrowings under the Credit Agreement are determined by reference to (i) the LIBOR plus an applicable margin between 2.75% and 3.50% per annum based on net debt to EBITDA or (ii) a domestic bank rate ("ABR") plus an applicable margin between 1.75% and 2.50% per annum based on net debt to EBITDA plus (iii) a commitment fee of 0.500% per annum based on the unutilized portion of the Revolving Loan. Interest on the borrowings for ABR loans and the commitment fee are generally payable quarterly. Interest on the borrowings for LIBOR loans are generally payable at the applicable maturity date.

The Credit Agreement contains various covenants that limit, among other things, our ability to incur certain indebtedness, grant certain liens, merge or consolidate, sell all or substantially all of our assets, make certain loans, acquisitions, capital expenditures and investments, and pay distributions to unitholders.

In addition, we are required to maintain the following financial covenants:

- current assets to current liabilities, excluding any current maturities of debt, of at least 1.0 to 1.0 at all times; and
- senior secured net debt to consolidated adjusted EBITDA for the last twelve months, as of the last day of any fiscal quarter, of not greater than 3.25 to 1.00.

The Credit Agreement also includes customary events of default, including events of default relating to non-payment of principal, interest or fees, inaccuracy of representations and warranties when made or when deemed made, violation of covenants, cross-defaults, bankruptcy and insolvency events, certain unsatisfied judgments, loan documents not being valid and a change in control. A change in control is generally defined as the occurrence of one of the following events: (i) our existing general partner ceases to be our sole general partner or (ii) certain specified persons shall cease to own more than 50% of the equity interests of our general partner or shall cease to control our general partner. If an event of default occurs, the lenders will be able to accelerate the maturity of the Credit Agreement and exercise other rights and remedies.

At September 30, 2021, we were in compliance with the financial covenants contained in the Credit Agreement. We monitor compliance on an ongoing basis. If we are unable to remain in compliance with the financial covenants contained in our Credit Agreement or maintain the required ratios discussed above, the lenders could call an event of default and accelerate the outstanding debt under the terms of the Credit Agreement, such that our outstanding debt could become then due and payable. We may request waivers of compliance from the violated financial covenants from the lenders, but there is no assurance that such waivers would be granted.

We are required to make mandatory amortizing payments of the outstanding principal on the Term Loan, we expect these quarterly amortizing payments will be made from our operating cash flows and other capital resources. However, there can be no assurance that operations and other capital resources will provide cash in sufficient amounts to make these mandatory amortizing payments.

*Debt Issuance Costs*

As of September 30, 2021 and December 31, 2020, our unamortized debt issuance costs were approximately $0.7 million and $0.8 million, respectively. These costs are amortized to interest expense in our condensed consolidated statements of operations over the life of our Credit Agreement. Amortization of debt issuance costs recorded during the three months ended September 30, 2021 and 2020 was approximately $0.3 million and $0.2 million, respectively. Amortization of debt issuance costs recorded during the nine months ended September 30, 2021 and 2020 was approximately $0.8 million and $0.6 million, respectively.

## 8. GATHERING AND TRANSPORTATION ASSETS

Gathering and transportation assets consisted of the following (in thousands):

| | September 30, 2021 | December 31, 2020 |
|---|---|---|
| **Gathering and transportation assets** | | |
| Midstream assets | $ 187,899 | $ 187,977 |
| Less: Accumulated depreciation and impairment | (87,991) | (82,710) |
| **Total gathering and transportation assets, net** | $ 99,908 | $ 105,267 |

*Depreciation and Amortization.* Gathering and transportation assets, are stated at historical acquisition cost, net of any impairments, and are depreciated using the straight-line method over the useful lives of the assets, which range from three to 15 years for furniture and equipment, up to 36 years for gathering facilities, and up to 40 years for transportation assets.

Depreciation and amortization consisted of the following (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 |
| Depreciation and amortization of gathering and transportation related assets | $ 1,778 | $ 1,830 | $ 5,337 | $ 5,419 |
| Amortization of intangible assets | 3,365 | 3,363 | 10,093 | 10,093 |
| Total depreciation and amortization | $ 5,143 | $ 5,193 | $ 15,430 | $ 15,512 |

*Impairment of Gathering and Transportation Assets.* The recoverability of gathering and transportation assets is evaluated when facts or circumstances indicate that their carrying value may not be recoverable. Asset recoverability is measured by comparing the carrying value of the asset or asset group with its expected future pre-tax undiscounted cash flows. These cash flow estimates require us to make projections and assumptions for many years into the future for pricing, demand, competition, operating cost and other factors. If the carrying amount exceeds the expected future undiscounted cash flows, we recognize an impairment equal to the excess of net book value over fair value. The determination of the fair value using present value techniques requires us to make projections and assumptions regarding the probability of a range of outcomes and the rates of interest used in the present value calculations. Any changes we make to these projections and assumptions could result in significant revisions to our evaluation of recoverability of our gathering and transportation assets and the recognition of additional impairments. Upon disposition or retirement of gathering and transportation assets, any gain or loss is recorded to operations.

## 9. ASSET RETIREMENT OBLIGATION

We recognize the fair value of a liability for an asset retirement obligation (“ARO”) in the period in which it is incurred if a reasonable estimate of fair value can be made. Each period, we accrete the ARO to its then present value. The associated asset retirement cost (“ARC”) is capitalized as part of the carrying amount of our oil and natural gas properties, equipment and facilities or gathering and transportation assets. Subsequently, the ARC is depreciated using the units-of-production method for production assets and the straight-line method for midstream assets. The AROs recorded by us relate to the plugging and abandonment of oil and natural gas wells and decommissioning of oil and natural gas gathering and other facilities.

Inherent in the fair value calculation of AROs are numerous assumptions and judgments including the ultimate settlement amounts, inflation factors, credit adjusted discount rates, timing of settlement and changes in the legal, regulatory, environmental and political environments. To the extent future revisions to these assumptions result in adjustments to the recorded fair value of the existing ARO, a corresponding adjustment is made to the ARC capitalized as part of the oil and natural gas properties, equipment and facilities or gathering and transportation assets.

The following table is a reconciliation of changes in ARO for the nine months ended September 30, 2021 and the year ended December 31, 2020 (in thousands):

| | Nine Months Ended September 30, 2021 | Year Ended December 31, 2020 |
|---|---|---|
| Asset retirement obligation, beginning balance | $ 4,313 | $ 3,958 |
| Accretion expense | 287 | 355 |
| Asset retirement obligation, ending balance | $ 4,600 | $ 4,313 |

Additional AROs increase the liability associated with new oil and natural gas wells and other facilities as these obligations are incurred. Abandonments of oil and natural gas wells and other facilities reduce the liability for AROs. During the nine months ended

September 30, 2021 and the year ended December 31, 2020, there were no significant expenditures for abandonments and there were no assets legally restricted for purposes of settling existing AROs. During the nine months ended September 30, 2021, obligations were relieved as part of the Palmetto Divestiture and the Maverick Divestitures.

**10. INTANGIBLE ASSETS**

Intangible assets are comprised of customer and marketing contracts. The intangible assets balance as of September 30, 2021 is related to the Gathering Agreement with Mesquite that was entered into as part of the acquisition of the Western Catarina gathering system. The Western Catarina gathering system ("Western Catarina Midstream") is located on the western portion of Mesquite's acreage position in Dimmit, La Salle and Webb counties, Texas (the western portion of such acreage, "Western Catarina"). Pursuant to the 15-year agreement, Mesquite tenders all of its crude oil, natural gas and other hydrocarbon-based product volumes produced in the Western Catarina of the Eagle Ford Shale in Texas for processing and transportation through Western Catarina Midstream, with a right to tender additional volumes outside of the dedicated acreage. These intangible assets are being amortized using the straight-line method over the 15-year life of the agreement.

Amortization expense for each of the nine months ended September 30, 2021 and 2020 was approximately $10.1 million. These costs are amortized to depreciation, depletion, and amortization expense in our condensed consolidated statements of operations. The following table is a reconciliation of changes in intangible assets (in thousands):

| | September 30, 2021 | December 31, 2020 |
|---|---|---|
| Beginning balance | $ 131,786 | $ 145,246 |
| Amortization | (10,093) | (13,460) |
| Ending balance | $ 121,693 | $ 131,786 |

**11. INVESTMENTS**

In July 2016, we completed a transaction pursuant to which we acquired from Mesquite a 50% interest in Carnero Gathering, LLC ("Carnero Gathering"), a joint venture that was 50% owned and operated by Targa Resources Corp. (NYSE: TRGP) ("Targa"), for an initial payment of approximately $37.0 million and the assumption of remaining capital commitments to Carnero Gathering, estimated at approximately $7.4 million as of the acquisition date (the "Carnero Gathering Transaction"). The fair value of the intangible asset for the contractual customer relationship related to Carnero Gathering was valued at approximately $13.0 million. This amount is being amortized over a contract term of 15 years and decreases earnings from equity investments in our condensed consolidated statements of operations. As part of the Carnero Gathering Transaction, we are required to pay Mesquite an earnout based on natural gas received above a threshold volume and tariff at designated delivery points from Mesquite and other producers. See Note 5 "Fair Value Measurements" for further discussion of the earnout derivative.

In November 2016, we completed a transaction pursuant to which we acquired from Mesquite a 50% interest in Carnero Processing, LLC ("Carnero Processing"), a joint venture that was 50% owned and operated by Targa, for aggregate cash consideration of approximately $55.5 million and the assumption of remaining capital contribution commitments to Carnero Processing, estimated at approximately $24.5 million as of the date of acquisition.

In May 2018, we executed a series of agreements with Targa and other parties pursuant to which, among other things: (1) the parties merged their respective 50% interests in Carnero Gathering and Carnero Processing (the "Carnero JV Transaction") to form an expanded 50 / 50 joint venture in South Texas, within Carnero G&P, LLC (the "Carnero JV"), (2) Targa contributed 100% of the equity interest in the Silver Oak II Gas Processing Plant ("Silver Oak II"), located in Bee County, Texas, to the Carnero JV, which expands the processing capacity of the Carnero JV from 260 MMcf/d to 460 MMcf/d, (3) Targa contributed certain capacity in the 45 miles of high pressure natural gas gathering pipelines owned by Carnero Gathering that connect Western Catarina Midstream to nearby pipelines and the Raptor Gas Processing Facility (the "Carnero Gathering Line") to the Carnero JV resulting in the Carnero JV owning all of the capacity in the Carnero Gathering Line, which has a design limit (without compression) of 400 MMcf/d, (4) the Carnero JV received a new dedication from Mesquite and its working interest partners of over 315,000 acres located in the Western Eagle Ford on Mesquite's acreage in Dimmit, Webb, La Salle, Zavala and Maverick counties, Texas (such acreage is collectively referred to as Mesquite's "Comanche Asset") pursuant to a new long-term firm gas gathering and processing agreement. The agreement with Mesquite, which was approved by all of the unaffiliated Comanche Asset working interest partners, establishes commercial terms for the gathering of gas on the Carnero Gathering Line and processing at the Raptor Gas Processing Facility and Silver Oak II. Prior to execution of the agreement, volumes from the Comanche Asset were gathered and processed on an interruptible basis, with the processing capabilities of the Carnero JV limited by the capacity of the Raptor Gas Processing Facility. As a result of the Carnero JV Transaction, we now record our share of earnings and losses from the Carnero JV using the Hypothetical Liquidation at Book Value ("HLBV") method of accounting. HLBV is a balance-sheet approach that calculates the amount we would have received if the Carnero JV were liquidated at book value at the end of each measurement period. The change in our allocated amount during the period is recognized in our condensed

consolidated statements of operations. In the event of liquidation of the Carnero JV, available proceeds are first distributed to any priority return and unpaid capital associated with Silver Oak II, and then to members in accordance with their capital accounts.

As of September 30, 2021 the Partnership had paid approximately $124.4 million for its investment in the Carnero JV related to the initial payments and contributed capital. The Partnership has accounted for this investment using the equity method. Targa is the operator of the Carnero JV and has significant influence with respect to the normal day-to-day capital and operating decisions. We have included the investment balance in the equity investments caption on the condensed consolidated balance sheets. For the three months ended September 30, 2021, the Partnership recorded an insignificant amount of earnings in equity investments from the Carnero JV, which was offset by approximately $0.3 million related to the amortization of the contractual customer intangible asset. For the nine months ended September 30, 2021, the Partnership recorded losses of approximately $0.5 million in equity investments from the Carnero JV, which was compounded by approximately $0.9 million related to the amortization of the contractual customer intangible asset. We have included these equity method earnings in the earnings from equity investments line within the condensed consolidated statements of operations. Cash distributions of approximately $11.9 million were received during the nine months ended September 30, 2021.

Summarized financial information of unconsolidated entities is as follows (in thousands):

| | Nine Months Ended September 30, | |
|---|---|---|
| | **2021** | **2020** |
| Sales | $ 78,026 | $ 55,578 |
| Total expenses | 74,662 | 44,965 |
| Net income | $ 3,364 | $ 10,613 |

## 12. COMMITMENTS AND CONTINGENCIES

As part of the Carnero Gathering Transaction, we are required to pay Mesquite an earnout based on natural gas received above a threshold volume and tariff at designated delivery points from Mesquite and other producers. This earnout has an approximate value of zero as of September 30, 2021. For the nine months ended September 30, 2021, we made no payments to Mesquite related to the earnout.

## 13. RELATED PARTY TRANSACTIONS

Please read the disclosure under the headings “Relationship with Stonepeak,” “Relationship with Mesquite,” “Relationship with SP Holdings” and “Shared Services Agreement” in Note 13 “Related Party Transactions” of our Notes to Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2020 for a more complete description of certain related party transactions that were entered into prior to 2021.

## 14. UNIT-BASED COMPENSATION

The Sanchez Production Partners LP Long-Term Incentive Plan (the “LTIP”) allows for grants of restricted common units. Restricted common unit activity under the LTIP during the period is presented in the following table:

| | **Number of Restricted Units** | **Weighted Average Grant Date Fair Value Per Unit** |
|---|---|---|
| Outstanding at December 31, 2020 | 683,171 | $ 2.68 |
| Granted | 1,651,785 | 1.12 |
| Returned/Cancelled | (140,647) | 2.37 |
| Outstanding at September 30, 2021 | 2,194,309 | $ 1.53 |

In March 2021, the Partnership issued 1,651,785 restricted common units pursuant to the LTIP to certain officers of the Partnership’s general partner. Two-thirds of the restricted common units vest on the one year anniversary of the date of grant and the remaining one-third vest on the second year anniversary of the date of grant. The number of restricted common units granted was based on the fair value on the day before the grant date.

As of September 30, 2021, 7,619,823 common units remained available for future issuance to participants under the LTIP.

## 15. PARTNERS' CAPITAL

*Outstanding Units*

As of September 30, 2021, we had 36,474,436 Class C Preferred Units outstanding and 96,465,219 common units outstanding which included 2,194,309 unvested restricted common units issued under the LTIP.

*Common Unit Issuances*

We entered into a letter agreement with SP Holdings providing that during the period beginning with the fiscal quarter ended September 30, 2019 and continuing until the end of the fiscal quarter after the fiscal quarter in which we redeem all of our issued and outstanding Class C Preferred Units, SP Holdings agrees to delay receipt of its fees, not including reimbursement of costs, as a result, we have not issued any common units to SP Holdings in connection with providing services under the Shared Services Agreement for any quarter following the quarter ended June 30, 2019. As of September 30, 2021, the number of units to be issued under the Shared Services Agreement is 14,611,540.

*Class C Preferred Units*

On August 2, 2019, Stonepeak exchanged all of their current equity ownership for newly issued Class C Preferred Units and the Stonepeak Warrant in a private placement transaction (the "Exchange"). On February 24, 2021, the Partnership and Stonepeak entered into Amendment No. 1 to the Stonepeak Warrant, on May 4, 2021, the Partnership and Stonepeak entered into Amendment No. 2 to the Stonepeak Warrant, and on August 2, 2021, the Partnership and Stonepeak entered into Amendment No. 3 to the Stonepeak Warrant.

The holders of the Class C Preferred Units receive a quarterly distribution of 12.5% per annum payable in cash. To the extent that Available Cash (as defined in the Third Amended and Restated Agreement of Limited Partnership of the Partnership (the "Amended Partnership Agreement")) is insufficient to pay the distribution in cash, all or a portion of the distribution may be paid in Class C Preferred PIK Units. Commencing with the quarter ending March 31, 2022, the distribution rate will increase to 14% per annum. Distributions are to be paid on or about the last day of each of February, May, August and November following the end of each quarter and are charged to interest expense in our condensed consolidated statements of operations. Beginning January 1, 2022, Adjusted Available Cash (as defined in the Amended Partnership Agreement) will be distributed to holders of the Class C Preferred Units to redeem a number of Class C Preferred Units to be determined based on the amount of Adjusted Available Cash.

The Class C Preferred Units are accounted for as a current liability on our condensed consolidated balance sheet consisting of the following (in thousands):

| | September 30, 2021 | December 31, 2020 |
|---|---|---|
| Class C Preferred Units, beginning balance | $ 345,205 | $ 281,688 |
| Accretion of discount | 37,671 | 38,938 |
| Distribution accrual | — | 24,579 |
| Class C Preferred Units, ending balance | $ 382,876 | $ 345,205 |

The table below reflects the payment of distributions on Class C Preferred Units related to the periods indicated.

| Three Months Ended | Class C Preferred PIK Distribution | Date of Declaration | Date of Record | Date of Distribution |
|---|---|---|---|---|
| December 31, 2019 | 1,039,314 | February 13, 2020 | February 28, 2020 | February 20, 2020 |
| March 31, 2020 | 1,071,793 | April 29, 2020 | May 20, 2020 | May 29, 2020 |
| June 30, 2020 | 1,105,286 | July 31, 2020 | August 20, 2020 | August 31, 2020 |

On November 16, 2020, the Partnership and Stonepeak entered into the Stonepeak Letter Agreement wherein the parties agreed that the distribution on the Class C Preferred Units for the three months ended September 30, 2020 would be paid in common units instead of Class C Preferred PIK Units, cash or a combination thereof. The Stonepeak Letter Agreement also provides that Stonepeak will be able to elect to receive distributions on the Class C Preferred Units in common units for any quarter following the third quarter of 2020 by providing written notice to the Partnership no later than the last day of the calendar month following the end of such quarter.

The table below reflects distributions on Class C Preferred Units which were elected to be paid in common units related to the periods indicated.

| Three Months Ended | Class C Preferred Distribution of Common Units | Date of Distribution |
|---|---|---|
| September 30, 2020 | 22,274,869 | February 1, 2021 |
| December 31, 2020 | 12,445,491 | February 25, 2021 |
| March 31, 2021 | 13,763,249 | May 20, 2021 |
| June 30, 2021 | 8,012,850 | August 20, 2021 |

*Stonepeak Warrant*

On August 2, 2019, in connection with the Exchange, the Partnership issued to Stonepeak the Stonepeak Warrant, which entitles the holder to receive junior securities representing ten percent of junior securities deemed outstanding when exercised. The Stonepeak Warrant expires on the later of August 2, 2026 or 30 days following the full redemption of the Class C Preferred Units. There is no strike price associated with the exercise of the Stonepeak Warrant. The Stonepeak Warrant is accounted for as a liability in accordance with ASC 480 and is presented within other liabilities on the condensed consolidated balance sheet. Changes in the fair value of the Stonepeak Warrant are charged to interest expense in our condensed consolidated statements of operations.

*Earnings per Unit*

Net income (loss) per common unit for the period is based on any distributions that are made to the unitholders (common units) plus an allocation of undistributed net income (loss) based on provisions of the Amended Partnership Agreement, divided by the weighted average number of common units outstanding. The two-class method dictates that net income (loss) for a period be reduced by the amount of distributions and that any residual amount representing undistributed net income (loss) be allocated to common unitholders and other participating unitholders to the extent that each unit may share in net income (loss) as if all of the net income for the period had been distributed in accordance with the Amended Partnership Agreement. Unit-based awards granted but unvested are eligible to receive distributions. The underlying unvested restricted unit awards are considered participating securities for purposes of determining net income (loss) per unit. Undistributed income is allocated to participating securities based on the proportional relationship of the weighted average number of common units and unit-based awards outstanding. Undistributed losses (including those resulting from distributions in excess of net income) are allocated to common units based on provisions of the Amended Partnership Agreement. Undistributed losses are not allocated to unvested restricted unit awards as they do not participate in net losses. Distributions declared and paid in the period are treated as distributed earnings in the computation of earnings per common unit even though cash distributions are not necessarily derived from current or prior period earnings.

The Partnership’s general partner does not have an economic interest in the Partnership and, therefore, does not participate in the Partnership’s net income.

## 16. VARIABLE INTEREST ENTITIES

The Partnership’s investment in the Carnero JV represents a variable interest entity (“VIE”) that could expose the Partnership to losses. The amount of losses the Partnership could be exposed to from the Carnero JV is limited to the capital investment of approximately $76.5 million.

As of September 30, 2021, the Partnership had invested approximately $124.4 million in the Carnero JV and no debt has been incurred by the Carnero JV. We have included this VIE in other assets, equity investments on our condensed consolidated balance sheet.

Below is a tabular comparison of the carrying amounts of the assets and liabilities of the VIE and the Partnership’s maximum exposure to loss as of September 30, 2021 and December 31, 2020 (in thousands):

| | September 30, 2021 | December 31, 2020 |
|---|---|---|
| Acquisitions, earnout and capital investments | $ 128,483 | $ 128,251 |
| Earnings in equity investments | 29,049 | 30,455 |
| Distributions received | (81,017) | (69,071) |
| Maximum exposure to loss | $ 76,515 | $ 89,635 |

**17. SUBSEQUENT EVENTS**

*NYSE American Update*

On October 4, 2021, the NYSE American informed us that we regained compliance with the NYSE American Company Guide (the "Company Guide") by meeting the requirements of the $50 million market capitalization exemption from the stockholders' equity requirement in Section 1003(a) of the Company Guide. At the opening of trading on October 5, 2021, the below compliance (".BC") indicator was no longer disseminated and the Partnership was removed from the list of NYSE American noncompliant issuers on the NYSE American's website.

*Mesquite Adversary Proceeding*

On October 15, 2021, Mesquite and SN Catarina, LLC (collectively, the "Mesquite Plaintiffs") initiated adversary proceeding 21-03931 (MI) against the Partnership and Catarina Midstream, LLC ("Catarina Midstream") in the Bankruptcy Court (the "Mesquite Adversary"). In the Mesquite Adversary, the Mesquite Plaintiffs seek recharacterization of the September 2015 transaction pursuant to which the Partnership acquired from SN Catarina all of SN Catarina's interest in Catarina Midstream, including the gathering assets then-owned by SN Catarina (the "Catarina Arrangement"), as a disguised financing. The Mesquite Plaintiffs claim that SN Catarina is the legal owner of the gathering system subject to that transaction and demand its return.

The Mesquite Plaintiffs also assert various claims for constructive and actual fraudulent transfer arising from (1) the Catarina Arrangement; (2) payments made by SN Catarina to Catarina Midstream under the Gathering Agreement after Catarina Midstream increased tariff rates for interruptible throughput volumes from the eastern portion ("Eastern Catarina") of Mesquite's acreage position in Dimmit, La Salle and Webb counties in Texas; and (3) payments made by SN Catarina to Catarina Midstream for the incremental infrastructure fee under the Gathering Agreement amendment and on a month-to-month basis by mutual agreement of the parties after the amendment's expiration. The Mesquite Plaintiffs seek declaratory relief related to the recharacterization claim as well as avoidance of the alleged constructive and actual fraudulent transfers and recovery of the amounts transferred to Catarina Midstream.

*Stonepeak Letter Agreement Election*

On October 29, 2021, pursuant to the terms of the Stonepeak Letter Agreement, the Partnership received written notice of Stonepeak's election to receive distributions on the Class C Preferred Units for the quarter ended September 30, 2021, in common units. In accordance with the Stonepeak Letter Agreement, the Partnership will issue 10,832,186 common units to Stonepeak on November 22, 2021 (the "Q321 Stonepeak Units").

*HOBO Transaction; New Management Team Hires*

On November 3, 2021, the Partnership entered into a Framework Agreement (the "Framework Agreement") with HOBO Renewable Diesel LLC ("HOBO"). The Framework Agreement provides that, subject to the satisfaction of applicable conditions precedent, the Partnership will fund certain development expenses of HOBO as HOBO seeks to develop, construct, own and operate renewable fuels facilities. HOBO's initial project is a 9,000 barrel per day (120 million gallons per year) renewable diesel production facility to be located in Clinton, Iowa (the "Initial Project").

Subject to the satisfaction of certain conditions, including HOBO securing a long-term strategic offtake agreement for the Initial Project, the Partnership will exclusively fund the development and construction of the Initial Project and future renewable fuels projects that can produce renewable diesel and sustainable aviation fuel ("SAF") and contribute to the advancement of the transition to a low-carbon world. Renewable diesel and SAF are unique drop-in fuels that are immediately consumable by existing automotive and airplane engines and reduce carbon emissions relative to petroleum based products. These drop-in fuels are in increasingly high demand by customers, including the US federal government, as more organizations embrace de-carbonization. HOBO and the Partnership are also considering incorporation of additional carbon reduction opportunities into the Initial Project and future projects which the management teams believe could result in the production of some of the lowest carbon intensity fuels in the US. We refer to the transactions described above or otherwise contemplated by the Framework Agreement as the "HOBO Transaction."

In furtherance of the Initial Project and to support the Partnership's energy transition focus, key members of the HOBO leadership team will join the Partnership's management team effective December 1st, 2021. HOBO Co-Founder and Chief Executive Officer Randy Gibbs will join as the new Chief Executive Officer, and as a member of the Board, HOBO Co-Founder and President Mike Keuss will join as the new President and Chief Operating Officer, and HOBO's Chief Financial Officer Jonathan Hartigan will join as the new President and Chief Investment Officer (the "New Executives"). Each of the New Executives accepted employment effective November 3, 2021, and will transition to their respective director and executive roles effective December 1, 2021. The New Executives have each had long and successful careers in both the fossil fuel and renewable energy spaces and bring extensive experience in project development, engineering, operations, and financing to the Partnership's management team.

In connection with the management team hires, the Partnership's general partner entered into Executive Services Agreements with each of the New Executives and issued awards under the Evolve Transition Infrastructure 2021 Equity Inducement Award Plan totaling 14,100,000 common units, and under the Partnership's Long-Term Incentive Plan (the "LTIP") totaling 3,600,000 common units (such 17,700,000 common units, collectively, the "New Executive Units"). The New Executive Units are subject to vesting in three separate tranches if certain performance conditions with respect to the Initial Project are satisfied or if certain performance metrics relating to total unitholder return are satisfied.

*Resignation of Chief Executive Officer; Transition Agreement*

On November 3, 2021, Gerald Willinger, the current Chief Executive Officer of the Partnership's general partner, resigned from his position as Chief Executive Officer of the Partnership's general partner and a member of the Board, effective November 30, 2021 and at such time that is immediately prior to December 1, 2021. Mr. Willinger will assist in the onboarding of new management in November to ensure a smooth transition. In connection with Mr. Willinger's departure, on November 3, 2021, the Partnership's general partner entered into a Separation and Transition Agreement with Mr. Willinger.

*Amendments to Stonepeak Warrant*

As previously disclosed, the LTIP provides that upon the issuance of additional common units from time to time, the maximum number of common units that may be delivered or reserved for delivery with respect to the LTIP shall be automatically increased (each such increase, an "LTIP Increase") by a number of common units equal to the lesser of (i) fifteen percent (15%) of such additional common units, or (ii) such lesser number of common units as determined by the Board.

On October 29, 2021, the Board determined that the LTIP Increase with respect to the Q321 Stonepeak Units will be fifteen percent (15%). On November 5, 2021, the Partnership and Stonepeak entered into Amendment No. 4 to the Stonepeak Warrant to exclude from the Stonepeak Warrant the 1,624,828 Common Units included in the LTIP Increase resulting from the issuance of the Q321 Stonepeak Units, resulting in an additional 1,624,828 Common Units being reserved for delivery with respect to the LTIP.

On November 9, 2021, the Board determined that the LTIP Increase with respect to the New Executive Units will be fifteen percent (15%), resulting in an additional 2,655,000 common units being reserved for delivery with respect to the LTIP. On November 9, 2021, the Partnership and Stonepeak entered into Amendment No. 5 to the Stonepeak Warrant to exclude from the Stonepeak Warrant both the New Executive Units and the 2,655,000 Common Units included in the LTIP Increase resulting from the issuance of the New Executive Units.

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

*The following discussion and analysis should be read in conjunction with the financial statements and the summary of significant accounting policies and notes included herein and in our most recent Annual Report on Form 10-K. The following discussion contains "forward-looking statements" that reflect our future plans, estimates, forecasts, guidance, beliefs and expected performance. The "forward-looking statements" are dependent upon events, risks and uncertainties that may be outside our control. Our actual results could differ materially from those discussed in these "forward-looking statements." Please read "Cautionary Note Regarding Forward-Looking Statements."*

**Overview**

We are a publicly-traded limited partnership formed in 2005 focused on the acquisition, development, ownership and operation of infrastructure critical to the transition of energy supply to lower carbon sources. We own natural gas gathering systems, pipelines and processing facilities in South Texas and continue to pursue energy transition infrastructure opportunities. Our common units are currently listed on the NYSE American under the symbol "SNMP."

On February 26, 2021, in connection with our management team's focus on expanding our business strategy to focus on the ongoing energy transition in the industries in which we operate, we changed our name to Evolve Transition Infrastructure LP and our general partner changed its name to Evolve Transition Infrastructure GP LLC.

**Developments during the Quarter Ended September 30, 2021**

*Eleventh Amendment to Credit Agreement*

On July 28, 2021, we entered into the Eleventh Amendment with the guarantors party thereto, Royal Bank of Canada, as administrative agent ("RBC") and the lenders party thereto. Pursuant to the Eleventh Amendment, the parties agreed to, among other things: (a) amend the definition of "Excluded Cash" to include (i) cash and cash equivalents set aside by us for the purposes of making a Levo JV Investment (as defined in the Credit Agreement), (ii) cash and cash equivalents of up to $1 million for the proceeds of the issuance or at-the-market sale of our equity interests, and (iii) cash and cash equivalents received by us from Stonepeak Investors (as defined in the Credit Agreement) for the purposes of making a Levo JV Investment, in each case, subject to prior or concurrent written notice to Royal Bank of Canada, as administrative agent, of the amounts and our intention to use such amounts for purposes of making a Levo JV Investment in accordance with the Credit Agreement; and (b) expand the exemptions under the Investments, Loans and Advances negative covenant to permit (i) the payment or reimbursement by us of up to $350,000 in legal and due diligence costs of Levo Mobility LLC ("Levo"), (ii) any Levo JV Investment made by us using cash or cash equivalent proceeds of a concurrent contribution of capital to us from Stonepeak Investors, or (iii) additional Levo JV Investments, capped at $1 million, made by us from the proceeds of the issuance or at-the-market sale by us of any equity interests in the Partnership.

*Carnero JV Litigation*

On July 30, 2021, the Carnero G&P, LLC ("Carnero JV") initiated suit against Mesquite and SN EF UnSub, LP, Eagle Ford TX LP, Venado EF L.P., Mitsui E&P Texas LP (collectively, the "WIP Defendants") in the 269th Judicial District Court of Harris County, Texas (the "Carnero JV Litigation"). In the Carnero JV Litigation, the Carnero JV seeks declarations from the Court regarding Mesquite's and the WIP Defendants' respective obligations to deliver gas from the over 315,000 acres located in the Western Eagle Ford on Mesquite's acreage in Dimmit, Webb, La Salle, Zavala and Maverick counties, Texas (such acreage, collectively, the "Comanche Asset") to the Carnero JV under the long-term firm gas gathering and processing agreement between Mesquite and the Carnero JV, which was agreed to by the WIP Defendants.

*Levo JV Completion*

On August 4, 2021, the Partnership, Stonepeak Rocket Holdings LP ("Stonepeak Rocket") and Nuvve Holding Corp. ("Nuvve Holdings") completed the formation of Levo Mobility LLC ("Levo" and such proposed joint venture, the "Levo JV").

*Levo JV LLC Agreement*

In connection with the Levo JV, the Partnership, Stonepeak Rocket, Nuvve Corporation ("Nuvve"), a wholly-owned subsidiary of Nuvve Holding, and Levo JV entered into an Amended and Restated Limited Liability Company Agreement for Levo (the "Levo LLC Agreement"). Pursuant to the Levo LLC Agreement, we and Stonepeak Rocket plan to make capital contributions to Levo in an aggregate amount of up to $750 million to finance Levo's business, with a maximum of $75 million of such capital contributions being funded by us.

The Levo LLC Agreement governs the affairs of Levo and the conduct of its business. The membership interests authorized by the Levo LLC Agreement consist of Class A Common Units, Class B Preferred Units, Class C Common Units and Class D Incentive Units. On August 4, 2021 in connection with the signing of the Levo LLC Agreement, Levo issued 2,800 Class B Preferred Units to Stonepeak Rocket, 1 Class B Preferred Unit to us, 441,000 Class C Common Units to Stonepeak Rocket, 49,000 Class C Common Units to us and 510,000 Class A Common Units to Nuvve Holding. Stonepeak Rocket agreed to pay to Levo an aggregate purchase price of $2,800,044.10 for its Class B Preferred Units and Class C Common Units. We agreed to pay to Levo an aggregate purchase price of $1,004.90 for our Class B Preferred Unit and Class C Common Units. Each of us and Stonepeak Rocket are able to receive additional Class B Preferred Units in consideration for each $1,000 in additional capital contributions we make.

*Maverick Divestiture*

On August 13, 2021, but effect as of March 1, 2021 (the "Maverick Effective Time"), SEP Holdings IV, LLC ("SEP IV") and Bayshore Energy TX LLC ("Maverick Buyer") entered into a Purchase Agreement (the "Maverick 3 PSA") pursuant to which SEP IV sold to Maverick Buyer specified wellbores and other associated assets located in Zavala County, Texas, including the remaining assets excluded from the closing of the Maverick 2 Divestiture (as defined in Part I, Item 1. Note 3 "Discontinued Operations") (the "Maverick 3 Assets") for a base purchase price of approximately $31,000, which remains subject to final post-closing adjustments expected in the fourth quarter of 2021 (the "Maverick 3 Divestiture"). Pursuant to the Maverick 3 PSA, other than a limited amount of retained obligations, Maverick Buyer agreed to assume all obligations and liabilities related to the Maverick 3 Assets that arose on or after the Maverick Effective Time. The Maverick 3 PSA contains customary representations and warranties by SEP IV and Maverick Buyer, and SEP IV and Maverick Buyer agreed to customary indemnities relating to breaches of representations, warranties and covenants and the payment of assumed and excluded obligations. The Maverick 3 Divestiture closed simultaneously with the execution of the Maverick 3 PSA.

*Twelfth Amendment to Credit Agreement*

On August 20, 2021, we entered into the Twelfth Amendment with the guarantors party thereto, each of the lenders party thereto and RBC, as administrative agent, collateral agent and letter of credit issuer (the Credit Agreement, as amended prior to the effectiveness of the Twelfth Amendment, the "Existing Credit Agreement"). Immediately prior to the effectiveness of the Twelfth Amendment, RBC, in its capacity as a lender under the Existing Credit Agreement, entered into that certain Assignment of Secured Indebtedness with each of the other lenders under the Existing Credit Agreement pursuant to which RBC purchased from each such other lender, all of such lender's right, title and interest in and to the Existing Credit Agreement, including such lender's portion of outstanding revolving loans, term loans and letter of credit participations. As a result, RBC is currently the sole lender under the Credit Agreement and will provide the entire principal amount of the Amended Credit Facilities (as defined below).

The terms of the Credit Agreement provide for, among other things: (a) extension of the maturity date to September 30, 2023, (b) removal of the borrowing base, and related provisions addressing borrowing base deficiencies and recalculations, (c) a term loan facility in an aggregate principal amount of up to $65 million (the "Term Loan Facility"), (d) a revolving credit facility in an aggregate principal amount of $5 million (the "Revolving Facility" and, together with the Term Loan Facility the "Amended Credit Facilities"), (e) reduction of our mandatory quarterly amortizing payments of outstanding principal of term loans from $10,000,000 per quarter to (i) on September 30, 2021, $3,000,000, which was the amount necessary to reduce the aggregate principal amount under the Term Loan Facility to $62 million, (ii) $3,000,000 per quarter commencing with the quarter ending December 31, 2021, and (iii) $2,000,000 for the quarters ending March 31, 2023 and June 30, 2023, (f) adoption of a Benchmark Replacement (as defined in the Credit Agreement) or Term SOFR (as defined in the Credit Agreement) as the Benchmark (as defined in the Credit Agreement) upon the occurrence of certain specified transition events, (g) a new mandatory principal prepayment requirement with respect to certain types of distributions and other payments received from Carnero JV, (h) reduction of our permitted maximum cash balance from $7,500,000 to $3,500,000, (i) permitted energy transition investments with the proceeds of capital contributions and certain equity issuances, and (j) removal of certain representations, warranties, covenants, reporting requirements and agreements of us and the guarantors related to oil and gas properties and interests owned by the guarantors.

In addition, pursuant to the Twelfth Amendment, SEP IV was released as a guarantor under the Credit Agreement.

The terms of the Twelfth Amendment also provide for our ability to implement additional amendments, supplements and other modifications to the Credit Agreement upon achieving certain specified milestone events, which include (a) the closing of certain acquisition and transaction opportunities or (b) the making of certain energy transition investments or realization of other improvements to our midstream business that result in free cash flow projections of us and the guarantors rising above certain levels for the immediately succeeding three-year period. If we achieve a specified milestone event and comply with certain other conditions precedent under the Twelfth Amendment, then the parties agree to implement amendments to the Credit Agreement as described in Exhibit C to the Twelfth Amendment.

**How We Evaluate Our Operations**

We evaluate our business on the basis of the following key measures:

- our throughput volumes on gathering systems upon acquiring those assets;
- our operating expenses; and
- our Adjusted EBITDA, a non-GAAP financial measure (for a reconciliation of Adjusted EBITDA to the most comparable GAAP financial measure please read "–Non-GAAP Financial Measures–Adjusted EBITDA").

**Throughput Volumes**

Our management analyzes our performance based on the aggregate amount of throughput volumes on the gathering system. We must connect additional wells or well pads within Mesquite's Catarina Asset, which is in Dimmit, La Salle and Webb counties in Texas, in order to maintain or increase throughput volumes on Western Catarina Midstream. Our success in connecting additional wells is impacted by successful drilling activity by Mesquite on the acreage dedicated to Western Catarina Midstream, our ability to secure volumes from Mesquite or third parties from new wells drilled on non-dedicated acreage, our ability to attract hydrocarbon volumes currently gathered by our competitors and our ability to cost-effectively construct or acquire new infrastructure. Construction of the Seco Pipeline was completed in August 2017, however, Mesquite does not currently transport any volumes on the Seco Pipeline following termination, effective February 12, 2020, of the Firm Transportation Service Agreement, dated September 1, 2017, by and between Seco Pipeline, LLC and SN Catarina, LLC. Future throughput volumes on the pipeline are dependent on execution of a new transportation agreement with Mesquite or execution of an agreement with a third party.

**Operating Expenses**

Our management seeks to maximize Adjusted EBITDA, a non-GAAP financial measure, in part by minimizing operating expenses. These expenses are or will be comprised primarily of field operating costs (which generally consists of lease operating expenses, labor, vehicles, supervision, transportation, minor maintenance, tools and supplies expenses, among other items), compression expense, ad valorem taxes and other operating costs, some of which will be independent of our oil and natural gas production or the throughput volumes on the midstream gathering system but fluctuate depending on the scale of our operations during a specific period.

**Non-GAAP Financial Measures—Adjusted EBITDA**

To supplement our financial results and guidance presented in accordance with GAAP, we use Adjusted EBITDA, a non-GAAP financial measure, in this Form 10-Q. We believe that non-GAAP financial measures are helpful in understanding our past financial performance and potential future results, particularly in light of the effect of various transactions effected by us. We define Adjusted EBITDA as net income (loss) adjusted by: (i) interest (income) expense, net, which includes interest expense, interest expense net (gain) loss on interest rate derivative contracts, and interest (income); (ii) income tax expense (benefit); (iii) depreciation, depletion and amortization; (iv) asset impairments; (v) accretion expense; (vi) (gain) loss on sale of assets; (vii) unit-based compensation expense; (viii) unit-based asset management fees; (ix) distributions in excess of equity earnings; (x) (gain) loss on mark-to-market activities; (xi) commodity derivatives settled early; (xii) (gain) loss on embedded derivatives; and (xiii) acquisition and divestiture costs. Please note that the gathering and transportation lease revenues utilized to determine net loss for the three months ended September 30, 2021 do not net out the approximately $8.3 million of such revenues that have not been collected from Mesquite.

Adjusted EBITDA is used as a quantitative standard by our management and by external users of our financial statements such as investors, research analysts, our lenders and others to assess: (i) the financial performance of our assets without regard to financing methods, capital structure or historical cost basis; (ii) the ability of our assets to generate cash sufficient to pay interest costs and support our indebtedness; and (iii) our operating performance and return on capital as compared to those of other companies in our industry, without regard to financing or capital structure.

We believe that the presentation of Adjusted EBITDA provides useful information to investors in assessing our financial condition and results of operations. The GAAP measure most directly comparable to Adjusted EBITDA is net income (loss). Our non-GAAP financial measure of Adjusted EBITDA should not be considered as an alternative to GAAP net income (loss). Adjusted EBITDA has important limitations as an analytical tool because it excludes some but not all items that affect net income (loss). Adjusted EBITDA should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. Because Adjusted EBITDA may be defined differently by other companies in our industry, our definition of Adjusted EBITDA may not be comparable to similarly titled measures of other companies, thereby diminishing its utility.

The following table sets forth a reconciliation of Adjusted EBITDA to net loss, its most directly comparable GAAP performance measure, for each of the periods presented (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 |
| Net loss | $ (28,460) | $ (24,617) | $ (91,058) | $ (88,575) |
| Adjusted by: | | | | |
| Interest expense, net | 31,141 | 24,015 | 89,525 | 70,188 |
| Income tax expense (benefit) | (18) | 46 | 440 | 3 |
| Depreciation, depletion and amortization | 5,143 | 5,553 | 15,430 | 17,368 |
| Asset impairments | — | — | — | 23,247 |
| Accretion expense | 98 | 144 | 287 | 422 |
| Gain on sale of assets | (203) | — | (537) | — |
| Unit-based compensation expense | 206 | 779 | 749 | 1,902 |
| Unit-based asset management fees | 2,146 | 260 | 4,793 | 2,221 |
| Distributions in excess of equity earnings | 5,384 | 8,084 | 14,459 | 11,398 |
| (Gain) loss on mark-to-market activities | 604 | 875 | (160) | (1,401) |
| Adjusted EBITDA | $ 16,041 | $ 15,139 | $ 33,928 | $ 36,773 |

***Significant Operational Factors***

*Throughput.* The following table sets forth selected throughput data pertaining to the periods indicated:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 |
| Western Catarina Midstream: | | | | |
| Oil (MBbl/d) | 5.4 | 7.0 | 5.8 | 7.6 |
| Natural gas (MMcf/d) | 74.1 | 92.2 | 76.8 | 96.6 |
| Water (MBbl/d) | 1.8 | 3.1 | 1.9 | 3.3 |
| Seco Pipeline: | | | | |
| Natural gas (MMcf/d) | — | — | — | 0.1 |

***Subsequent Events***

*NYSE American Update*

On October 4, 2021, the NYSE American informed us that we regained compliance with the NYSE American Company Guide (the "Company Guide") by meeting the requirements of the $50 million market capitalization exemption from the stockholders' equity requirement in Section 1003(a) of the Company Guide. At the opening of trading on October 5, 2021, the below compliance (".BC") indicator was no longer disseminated and we were removed from the list of NYSE American noncompliant issuers on the NYSE American's website.

*Mesquite Adversary Proceeding*

On October 15, 2021, Mesquite and SN Catarina, LLC (collectively, the "Mesquite Plaintiffs") initiated adversary proceeding 21-03931 (MI) against us and Catarina Midstream, LLC ("Catarina Midstream") in the Bankruptcy Court (the "Mesquite Adversary"). In the Mesquite Adversary, the Mesquite Plaintiffs seek recharacterization of the September 2015 transaction pursuant to which we acquired from SN Catarina all of SN Catarina's interest in Catarina Midstream, including the gathering assets then-owned by SN Catarina (the "Catarina Arrangement"), as a disguised financing. The Mesquite Plaintiffs claim that SN Catarina is the legal owner of the gathering system subject to that transaction and demand its return.

The Mesquite Plaintiffs also assert various claims for constructive and actual fraudulent transfer arising from (1) the Catarina Arrangement; (2) payments made by SN Catarina to Catarina Midstream under the Gathering Agreement after Catarina Midstream increased tariff rates for interruptible throughput volumes from Eastern Catarina; and (3) payments made by SN Catarina to Catarina Midstream for the incremental infrastructure fee under the Gathering Agreement amendment and on a month-to-month basis by mutual agreement of the parties after the amendment's expiration. The Mesquite Plaintiffs seek declaratory relief related to the recharacterization claim as well as avoidance of the alleged constructive and actual fraudulent transfers and recovery of the amounts transferred to Catarina Midstream.

*Stonepeak Letter Agreement Election*

On October 29, 2021, pursuant to the terms of the Stonepeak Letter Agreement, we received written notice of Stonepeak's election to receive distributions on the Class C Preferred Units for the quarter ended September 30, 2021, in common units. In accordance with the Stonepeak Letter Agreement, we will issue 10,832,186 common units to Stonepeak on November 22, 2021 (the "Q321 Stonepeak Units").

*HOBO Transaction; New Management Team Hires*

On November 3, 2021, we entered into a Framework Agreement (the "Framework Agreement") with HOBO Renewable Diesel LLC ("HOBO"). The Framework Agreement provides that, subject to the satisfaction of applicable conditions precedent, we will fund certain development expenses of HOBO as HOBO seeks to develop, construct, own and operate renewable fuels facilities. HOBO's initial project is a 9,000 barrel per day (120 million gallons per year) renewable diesel production facility to be located in Clinton, Iowa (the "Initial Project").

Subject to the satisfaction of certain conditions, including HOBO securing a long-term strategic offtake agreement for the Initial Project, we will exclusively fund the development and construction of the Initial Project and future renewable fuels projects that can produce renewable diesel and sustainable aviation fuel ("SAF") and contribute to the advancement of the transition to a low-carbon world. Renewable diesel and SAF are unique drop-in fuels that are immediately consumable by existing automotive and airplane engines and reduce carbon emissions relative to petroleum based products. These drop-in fuels are in increasingly high demand by customers, including the US federal government, as more organizations embrace de-carbonization. HOBO and the Partnership are also considering incorporation of additional carbon reduction opportunities into the Initial Project and future projects which the management teams believe could result in the production of some of the lowest carbon intensity fuels in the US.

In furtherance of the Initial Project and to support our energy transition focus, key members of the HOBO leadership team will join our management team effective December 1st, 2021. HOBO Co-Founder and Chief Executive Officer Randy Gibbs will join as the new Chief Executive Officer, and as a member of the Board, HOBO Co-Founder and President Mike Keuss will join as the new President and Chief Operating Officer, and HOBO's Chief Financial Officer Jonathan Hartigan will join as the new President and Chief Investment Officer (the "New Executives"). Each of the New Executives accepted employment effective November 3, 2021, and will transition to their respective director and executive roles effective December 1, 2021. The New Executives have each had long and successful careers in both the fossil fuel and renewable energy spaces and bring extensive experience in project development, engineering, operations, and financing to our management team.

In connection with the management team hires, our general partner entered into Executive Services Agreements with each of the New Executives and issued awards totaling 14,100,000 common units under the Evolve Transition Infrastructure 2021 Equity Inducement Award Plan, and totaling 3,600,000 common units under our Long-Term Incentive Plan (the "LTIP") (such 17,700,000 common units, collectively, the "New Executive Units"). The New Executive Units are subject to vesting in three separate tranches if certain performance conditions with respect to the Initial Project are satisfied or if certain performance metrics relating to total unitholder return are satisfied.

*Resignation of Chief Executive Officer; Transition Agreement*

On November 3, 2021, Gerald Willinger, the current Chief Executive Officer of our general partner, resigned from his position as Chief Executive Officer of our general partner and a member of the Board, effective November 30, 2021 and at such time that is immediately prior to December 1, 2021. Mr. Willinger will assist in the onboarding of new management in November to ensure a smooth transition. In connection with Mr. Willinger's departure, on November 3, 2021, our general partner entered into a Separation and Transition Agreement with Mr. Willinger.

*Amendments to Stonepeak Warrant*

As previously disclosed, the LTIP provides that upon the issuance of additional common units from time to time, the maximum number of common units that may be delivered or reserved for delivery with respect to the LTIP shall be automatically increased (each such increase, an "LTIP Increase") by a number of common units equal to the lesser of (i) fifteen percent (15%) of such additional common units, or (ii) such lesser number of common units as determined by the Board.

On October 29, 2021, the Board determined that the LTIP Increase with respect to the Q321 Stonepeak Units will be fifteen percent (15%). On November 5, 2021, the Partnership and Stonepeak entered into Amendment No. 4 to the Stonepeak Warrant to exclude from

the Stonepeak Warrant the 1,624,828 Common Units included in the LTIP Increase resulting from the issuance of the Q321 Stonepeak Units, resulting in an additional 1,624,828 Common Units being reserved for delivery with respect to the LTIP.

On November 9, 2021, the Board determined that the LTIP Increase with respect to the New Executive Units will be fifteen percent (15%), resulting in an additional 2,655,000 common units being reserved for delivery with respect to the LTIP. On November 9, 2021, the Partnership and Stonepeak entered into Amendment No. 5 to the Stonepeak Warrant to exclude from the Stonepeak Warrant both the New Executive Units and the 2,655,000 Common Units included in the LTIP Increase resulting from the issuance of the New Executive Units.

**Results of Operations**

***Three months ended September 30, 2021 compared to three months ended September 30, 2020***

The following table sets forth the selected financial and operating data pertaining to our continuing operations for the periods indicated (in thousands):

| | Three Months Ended | | | |
|---|---|---|---|---|
| | September 30, | | | |
| | 2021 | 2020 | Variance | |
| **Revenues:** | | | | |
| Gathering and transportation lease revenues | $ 16,868 | $ 10,670 | $ 6,198 | 58% |
| **Total revenues** | 16,868 | 10,670 | 6,198 | 58% |
| **Expenses** | | | | |
| **Operating expenses** | | | | |
| Transportation operating expenses | 2,065 | 2,455 | (390) | (16)% |
| General and administrative expenses | 4,460 | 2,693 | 1,767 | 66% |
| Unit-based compensation expense | 206 | 779 | (573) | (74)% |
| Depreciation and amortization | 5,143 | 5,193 | (50) | (1)% |
| Accretion expense | 98 | 89 | 9 | 10% |
| **Total operating expenses** | 11,972 | 11,209 | 763 | 7% |
| **Other (income) expense** | | | | |
| Interest expense, net | 31,141 | 24,015 | 7,126 | 30% |
| Loss from equity investment | 1,734 | 441 | 1,293 | NM (a) |
| Other (income) expense | 687 | (2) | 689 | NM (a) |
| **Total other expenses** | 33,562 | 24,454 | 9,108 | 37% |
| **Total expenses** | 45,534 | 35,663 | 9,871 | 28% |
| **Loss before income taxes** | (28,666) | (24,993) | (3,673) | 15% |
| **Income tax (benefit) expense** | (19) | 43 | (62) | (144)% |
| **Loss from continuing operations** | (28,647) | (25,036) | (3,611) | 14% |
| Income (loss) from discontinued operations | 187 | 419 | (232) | (55)% |
| **Net loss** | $ (28,460) | $ (24,617) | $ (3,843) | 16% |

(a) Variances deemed to be Not Meaningful "NM."

*Gathering and transportation lease revenues.* Gathering and transportation lease revenues increased approximately $6.2 million, or 58%, to approximately $16.9 million for the three months ended September 30, 2021, compared to approximately $10.7 million for the same period in 2020. This increase was primarily the result of an increase in the rate charged for hydrocarbons transported on Western Catarina Midstream that was produced from outside the dedicated acreage under the Gathering Agreement. This increase was partially offset by a decrease in throughput. As discussed in "Part II-Other Information, Item 1. Legal Proceedings," SN Catarina has failed to pay the increased rate for the throughput outside the dedicated acreage. For the three months ended September 30, 2021, approximately $8.3 million of the gathering and transportation lease revenues have not been collected.

*Transportation operating expenses.* Our transportation operating expenses generally consist of equipment rentals, chemicals, treating, metering fees, permit and regulatory fees, labor, minor maintenance, tools, supplies and pipeline integrity management expenses and ad valorem taxes. Our transportation operating expenses decreased by approximately $0.4 million, or 16%, to approximately $2.1 million for the three months ended September 30, 2021 compared to approximately $2.5 million for the same period in 2020. This decrease was due to the nature of operating expenses being dependent on throughput.

*Depreciation and amortization expense.* Gathering and transportation assets are stated at historical acquisition cost, net of any impairments, and are depreciated using the straight-line method over the useful lives of the assets, which range from five to 15 years for equipment and up to 36 years for gathering facilities. Our depreciation and amortization expense was consistent for the three months ended September 30, 2021 compared to the same period in 2020.

*Loss from equity investment.* Loss from equity investments increased approximately $1.3 million to a loss of approximately $1.7 million for the three months ended September 30, 2021, compared to a loss of approximately $0.4 million for the same period in 2020. The increase in loss was primarily the result of lower margins between the comparative periods.

*General and administrative expenses.* General and administrative expenses include indirect costs billed by SP Holdings in connection with the Shared Services Agreement, field office expenses, professional fees and other costs not directly associated with field operations. General and administrative expenses increased by approximately $1.8 million, or 66%, to approximately $4.5 million for the three months ended September 30, 2021 compared to approximately $2.7 million for the same period in 2020. The increase was primarily the result of an increase in the market-to-market impact on indirect costs billed in connection with the Shared Services Agreement of approximately $1.9 million as a result of the increase in the market price of our common units during the period.

*Unit-based compensation expense.* Unit-based compensation expense decreased approximately $0.6 million, or 74%, to approximately $0.2 million for the three months ended September 30, 2021, compared to approximately $0.8 million for the same period in 2020.

*Interest expense, net.* Interest expense consists of distributions on the Class C Preferred Units, non-cash accretion of the discount on the Class C Preferred Units, the non-cash change in fair value of the Stonepeak Warrant and cash interest expense from borrowings under the Credit Agreement. Interest expense increased approximately $7.1 million, or 30%, to approximately $31.1 million for the three months ended September 30, 2021 compared to approximately $24.0 million for the same period in 2020. This increase was the result of an increase in common unit price and junior securities deemed outstanding causing the Stonepeak Warrant value to increase. Cash interest expense for the three months ended September 30, 2021 was approximately $0.5 million compared to approximately $1.1 million for the same period in 2020. The decrease in cash interest expense was primarily the result of the decrease in the outstanding Credit Agreement debt balance between the periods.

*Income tax (benefit) expense*. Income tax benefit was approximately $19.3 thousand for the three months ended September 30, 2021, compared to an expense of approximately $42.8 thousand for the same period in 2020. The decrease in income tax expense resulted from a decrease in taxable margin over the comparable periods.

*Other (income) expense.* Other (income) expense includes the mark-to-market impact of the Nuvve Holding Warrants as well as other expenses and income not associated with our operations. Other expense for the three months ended September 30, 2021, was an approximate $0.7 million compared to an insignificant of income during the three months ended September 30, 2020. The primary loss for the three months ended September 30, 2021, relates to the mark-to-market impact of the Nuvve Holding Warrants which we received in May 2021.

**Results of Operations**

***Nine months ended September 30, 2021 compared to nine months ended September 30, 2020***

The following table sets forth the selected financial and operating data pertaining to our continuing operations for the periods indicated (in thousands):

| | Nine Months Ended September 30, | | | |
|---|---|---|---|---|
| | 2021 | 2020 | Variance | |
| **Revenues:** | | | | |
| Gathering and transportation sales | $ — | $ 785 | $ (785) | (100)% |
| Gathering and transportation lease revenues | 35,304 | 34,615 | 689 | 2% |
| **Total revenues** | 35,304 | 35,400 | (96) | (0)% |
| **Expenses** | | | | |
| **Operating expenses** | | | | |
| Transportation operating expenses | 6,421 | 7,641 | (1,220) | (16)% |
| General and administrative expenses | 13,964 | 10,980 | 2,984 | 27% |
| Unit-based compensation expense | 749 | 1,902 | (1,153) | (61)% |
| Depreciation and amortization | 15,430 | 15,512 | (82) | (1)% |
| Accretion expense | 287 | 263 | 24 | 9% |
| **Total operating expenses** | 36,851 | 36,298 | 553 | 2% |
| **Other (income) expense** | | | | |
| Interest expense, net | 89,525 | 70,188 | 19,337 | 28% |
| Loss (earnings) from equity investment | 1,406 | (2,254) | 3,660 | NM [(a)] |
| Other income, net | (114) | (10) | (104) | NM [(a)] |
| **Total other expenses** | 90,817 | 67,924 | 22,893 | 34% |

| | | | | |
|---|---|---|---|---|
| **Total expenses** | 127,668 | 104,222 | 23,446 | 22% |
| **Loss before income taxes** | (92,364) | (68,822) | (23,542) | 34% |
| **Income tax (benefit) expense** | (17) | 140 | (157) | (112)% |
| **Loss from continuing operations** | (92,347) | (68,962) | (23,385) | 34% |
| Income (loss) from discontinued operations | 1,289 | (19,613) | 20,902 | (107)% |
| **Net loss** | $ (91,058) | $ (88,575) | $ (2,483) | 3% |

(a) Variances deemed to be Not Meaningful "NM."

*Gathering and transportation lease revenues.* Gathering and transportation lease revenues increased approximately $0.7 million, or 2%, to approximately $35.3 million for the nine months ended September 30, 2021, compared to approximately $34.6 million for the same period in 2020. This increase was primarily the result of an increase in the rate charged for hydrocarbons transported on Western Catarina Midstream that was produced from outside the dedicated acreage under the Gathering Agreement, effective as of July 1, 2021. This increase was partially offset by a decrease in throughput. As discussed in "Part II-Other Information, Item 1. Legal Proceedings," SN Catarina has failed to pay the increased rate for the throughput outside the dedicated acreage. For the nine months ended September 30, 2021, approximately $8.3 million of the gathering and transportation lease revenues have not been collected.

*Transportation operating expenses.* Our transportation operating expenses generally consist of equipment rentals, chemicals, treating, metering fees, permit and regulatory fees, labor, minor maintenance, tools, supplies and pipeline integrity management expenses and ad valorem taxes. Our transportation operating expenses decreased by approximately $1.2 million, or 16%, to approximately $6.4 million for the nine months ended September 30, 2021 compared to approximately $7.6 million for the same period in 2020. This decrease was due to the nature of operating expenses being dependent on throughput.

*Depreciation and amortization expense.* Gathering and transportation assets are stated at historical acquisition cost, net of any impairments, and are depreciated using the straight-line method over the useful lives of the assets, which range from five to 15 years for equipment and up to 36 years for gathering facilities. Our depreciation and amortization expense was consistent for the nine months ended September 30, 2021 compared to the same period in 2020.

*Loss (earnings) from equity investment.* Loss from equity investments increased approximately $3.7 million to loss of approximately $1.4 million for the nine months ended September 30, 2021, compared to earnings of approximately $2.3 million for the same period in 2020. This increase was primarily the result of lower margins between the comparative periods.

*General and administrative expenses.* General and administrative expenses include indirect costs billed by SP Holdings in connection with the Shared Services Agreement, field office expenses, professional fees and other costs not directly associated with field operations. General and administrative expenses increased by approximately $3.0 million, or 27%, to approximately $14.0 million for the nine months ended September 30, 2021 compared to approximately $11.0 million for the same period in 2020. The increase was primarily the result of bad debt expenses of approximately $1.9 million and an increase in the market-to-market impact on indirect costs billed in connection with the Shared Services Agreement of approximately $2.4 million as a result of the increase in the market price of our common units during the period, partially offset by a reduction in legal and professional services. Cash general and administrative expense for the nine months ended September 30, 2021 was approximately $7.2 million compared to approximately $8.6 million for the same period in 2020. The decrease in cash general and administrative expenses was primarily the result of lower professional fees when compared to the professional fees attributable to negotiation of the Settlement Agreement and related agreements with Mesquite during the nine months ended September 30, 2020.

*Unit-based compensation expense.* Unit-based compensation expense decreased approximately $1.2 million, or 61%, to approximately $0.7 million for the nine months ended September 30, 2021, compared to approximately $1.9 million for the same period in 2020.

*Interest expense, net.* Interest expense consists of distributions on the Class C Preferred Units, non-cash accretion of the discount on the Class C Preferred Units, the non-cash change in fair value of the Stonepeak Warrant and cash interest expense from borrowings under the Credit Agreement. Interest expense increased approximately $19.3 million, or 28%, to approximately $89.5 million for the nine months ended September 30, 2021 compared to approximately $70.2 million for the same period in 2020. This increase was the result of higher distributions on the Class C Preferred Units and an increase in common unit price and junior securities deemed outstanding causing the Stonepeak Warrant value to increase. Cash interest expense for the nine months ended September 30, 2021 was approximately $2.2 million compared to approximately $4.2 million for the same period in 2020. The decrease in cash interest expense was primarily the result of the decrease in the outstanding Credit Agreement debt balance between the periods.

*Income tax (benefit) expense*. Income tax benefit was approximately $16.6 thousand for the nine months ended September 30, 2021, compared to an expense of approximately $139.9 thousand for the same period in 2020. The decrease in income tax expense resulted from a decrease in taxable margin over the comparable periods.

*Other income, net.* Other income, net includes the mark-to-market impact of the Nuvve Holding Warrants as well as other expenses and income not associated with our operations. Other income, net for the nine months ended September 30, 2021, was approximately $0.1 million compared to an insignificant of income during the nine months ended September 30, 2020. The primary income for the nine months ended September 30, 2021, relates to the mark-to-market impact of the Nuvve Holding Warrants which we received in May 2021.

**Liquidity and Capital Resources**

As of September 30, 2021, we had approximately $1.4 million in cash and cash equivalents and $2.5 million available for borrowing under the Credit Agreement, as discussed further below.

During the three and nine months ended September 30, 2021, we paid approximately $0.5 and approximately $2.2 million, respectively, in cash for interest on borrowings under our Credit Agreement.

Our capital expenditures during the nine months ended September 30, 2021 were funded with cash on hand. In the future, capital and liquidity are anticipated to be provided by operating cash flows, borrowings under our Credit Agreement and proceeds from the issuance of additional debt, additional common units or other limited partner interests. We expect that the combination of these capital resources will be adequate to meet our short-term working capital requirements, long-term capital expenditures program. However, there can be no assurance that operations and other capital resources will provide cash in sufficient amounts to maintain our current debt level, planned levels of capital expenditures, operating expenses or any cash distributions that we may make to unitholders.

We expect that our future cash requirements relating to working capital, amortizing debt payments on the Term Loan, maintenance capital expenditures and quarterly cash distributions, if any to our partners will be funded from cash flows internally generated from our operations. Our expansion capital expenditures will be funded by borrowings under our Credit Agreement or from potential capital market transactions. However, there can be no assurance that operations and other capital resources will provide cash in sufficient amounts to maintain our current debt level, planned levels of capital expenditures, operating expenses or any cash distributions that we may make to unitholders.

***Credit Agreement***

The Credit Agreement provides a quarterly amortizing term loan of $65.0 million (the “Term Loan”) and a maximum revolving credit amount of $5.0 million (the “Revolving Loan”). The Term Loan and Revolving Loan both have a maturity date of September 30, 2023. Borrowings under the Credit Agreement are secured by various mortgages of midstream properties that we own as well as various security and pledge agreements among us, certain of our subsidiaries and the administrative agent.

Borrowings under the Credit Agreement are available for limited direct investment in midstream properties, acquisitions, and working capital and general business purposes. The Credit Agreement has a sub-limit of up to $2.5 million which may be used for the issuance of letters of credit. As of September 30, 2021, we had approximately $54.7 million of debt outstanding, consisting of approximately $52.2 million under the Term Loan and approximately $2.5 million under the Revolving Loan. We are required to make mandatory amortizing payments of outstanding principal on the Term Loan of (i) $3.0 million per fiscal quarter commencing with the quarter ending December 31, 2021, and (ii) $2.0 million per fiscal quarter commencing with the quarter ending March 31, 2023. The maximum revolving credit amount is $5.0 million leaving us with approximately $2.5 million in unused borrowing capacity. There were no letters of credit outstanding under our Credit Agreement as of September 30, 2021.

At our election, interest for borrowings under the Credit Agreement are determined by reference to (i) the LIBOR plus an applicable margin between 2.75% and 3.50% per annum based on net debt to EBITDA or (ii) a domestic bank rate (“ABR”) plus an applicable margin between 1.75% and 2.50% per annum based on net debt to EBITDA plus (iii) a commitment fee of 0.500% per annum based on the unutilized portion of the Revolving Loan. Interest on the borrowings for ABR loans and the commitment fee are generally payable quarterly. Interest on the borrowings for LIBOR loans are generally payable at the applicable maturity date.

The Credit Agreement contains various covenants that limit, among other things, our ability to incur certain indebtedness, grant certain liens, merge or consolidate, sell all or substantially all of our assets, make certain loans, acquisitions, capital expenditures and investments, and pay distributions to unitholders.

In addition, we are required to maintain the following financial covenants:

- current assets to current liabilities, excluding any current maturities of debt, of at least 1.0 to 1.0 at all times; and
- senior secured net debt to consolidated adjusted EBITDA for the last twelve months, as of the last day of any fiscal quarter, of not greater than 3.25 to 1.00.

The Credit Agreement also includes customary events of default, including events of default relating to non-payment of principal, interest or fees, inaccuracy of representations and warranties when made or when deemed made, violation of covenants, cross-defaults, bankruptcy and insolvency events, certain unsatisfied judgments, loan documents not being valid and a change in control. A change in control is generally defined as the occurrence of one of the following events: (i) our existing general partner ceases to be our sole general partner or (ii) certain specified persons shall cease to own more than 50% of the equity interests of our general partner or shall cease to control our general partner. If an event of default occurs, the lenders will be able to accelerate the maturity of the Credit Agreement and exercise other rights and remedies.

At September 30, 2021, we were in compliance with the financial covenants contained in the Credit Agreement. We monitor compliance on an ongoing basis. If we are unable to remain in compliance with the financial covenants contained in our Credit Agreement or maintain the required ratios discussed above, the lenders could call an event of default and accelerate the outstanding debt under the terms of the Credit Agreement, such that our outstanding debt could become then due and payable. We may request waivers of compliance from the violated financial covenants from the lenders, but there is no assurance that such waivers would be granted.

Our partnership agreement prohibits us from paying any distributions on our common units until we have redeemed all of the Class C Preferred Units. Following such redemption, the Credit Agreement further limits our ability to pay distributions to unitholders.

At September 30, 2021, we were in compliance with the financial covenants contained in the Credit Agreement. We monitor compliance on an ongoing basis. If we are unable to remain in compliance with the financial covenants contained in our Credit Agreement or maintain the required ratios discussed above, the lenders could call an event of default and accelerate the outstanding debt under the terms of the Credit Agreement, such that our outstanding debt could become then due and payable. We may request waivers of compliance from the violated financial covenants from the lenders, but there is no assurance that such waivers would be granted.

***Sources of Debt and Equity Financing***

As of September 30, 2021, we had approximately $52.2 million of debt outstanding under the Term Loan and approximately $2.5 million of debt outstanding under the Revolving Loan, leaving us with approximately $2.5 million in unused borrowing capacity. There were no letters of credit outstanding under our Credit Agreement as of September 30, 2021. Our Credit Agreement matures on September 30, 2023.

**Operating Cash Flows**

We had net cash flows provided by operating activities for the nine months ended September 30, 2021 of approximately $24.8 million, compared to net cash flows provided by operating activities of approximately $24.4 million for the same period in 2020.

Our operating cash flows are subject to many variables, the most significant of which is the volume of oil and natural gas transported through our midstream assets. Our future operating cash flows will depend on oil and natural gas transported through our midstream assets.

**Investing Activities**

We had net cash flows provided by investing activities for the nine months ended September 30, 2021, of approximately $15.4 million, substantially all of which were proceeds from the sale of oil and natural gas properties. Net cash flows used in investing activities for the nine months ended September 30, 2020 were approximately $0.2 million, substantially all of which were related to midstream activities.

**Financing Activities**

Net cash flows used in financing activities was approximately $40.6 million for the nine months ended September 30, 2021. During the nine months ended September 30, 2021, we repaid borrowings of $56.3 million under our Credit Agreement.

Net cash flows used in financing activities was approximately $27.2 million for the nine months ended September 30, 2020. During the nine months ended September 30, 2020, we repaid borrowings of $34.0 million under our Credit Agreement and withdrew $7.0 million under the Revolving Loan.

**Off-Balance Sheet Arrangements**

As of September 30, 2021, we had no off-balance sheet arrangements with third parties, and we maintain no debt obligations that contained provisions requiring accelerated payment of the related obligations in the event of specified levels of declines in credit ratings.

**Credit Markets and Counterparty Risk**

We actively monitor the credit exposure and risks associated with our counterparties. Additionally, we continue to monitor global credit markets to limit our potential exposure to credit risk where possible. Our primary credit exposures result from the generation of substantially all of our midstream revenues from a single customer, Mesquite.

**Critical Accounting Policies and Estimates**

The discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The most significant estimates pertain to proved oil and natural gas reserves and related cash flow estimates used in the calculation of depletion and impairment of oil and natural gas properties, the fair value of commodity derivative contracts and asset retirement obligations, accrued oil and natural gas revenues and expenses and the allocation of general and administrative expenses. Actual results could differ materially from those estimates.

As of September 30, 2021, there were no changes with regard to the critical accounting policies disclosed in our Annual Report on Form 10-K for the year ended December 31, 2020. The policies disclosed included the accounting for oil and natural gas properties, oil and natural gas reserve quantities, revenue recognition and hedging activities. Please read “Part I, Item 1. Note 2 Basis of Presentation and Summary of Significant Accounting Policies” to our condensed consolidated financial statements for a discussion of additional accounting policies and estimates made by management.

**New Accounting Pronouncements**

See “Part I, Item 1. Note 2 Basis of Presentation and Summary of Significant Accounting Policies” to our condensed consolidated financial statements included in this report for information on new accounting pronouncements.

**Item 3. Quantitative and Qualitative Disclosures about Market Risk**

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and are not required to provide the information required by this Item.

**Item 4. Controls and Procedures**

***Evaluation of Disclosure Controls and Procedures***

The Principal Executive Officer and the Principal Financial Officer of the general partner of SNMP have evaluated the effectiveness of the disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act as of September 30, 2021 (the “Evaluation Date”). Based on such evaluation, the Principal Executive Officer and the Principal Financial Officer have concluded that, as of the Evaluation Date, our disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and is accumulated and communicated to our management, including the Principal Executive Officer and the Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

***Changes in Internal Control over Financial Reporting***

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended September 30, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Part II—Other Information**

**Item 1. Legal Proceedings**

From time to time we may be the subject of lawsuits and claims arising in the ordinary course of business. Management cannot predict the ultimate outcome of such lawsuits or claims. Management does not currently expect the outcome of any of the known claims or proceedings to individually or in the aggregate have a material adverse effect on our results of operations or financial condition.

On August 30, 2021, Catarina Midstream, LLC ("Catarina Midstream") initiated a non-administered arbitration against SN Catarina, LLC ("SN Catarina") pursuant to the International Institute for Conflict Prevention & Resolution Non-Administered Arbitration Rules (the "Catarina Arbitration"). In the Catarina Arbitration, Catarina Midstream asserts claims for declaratory judgment and breach of contract arising from SN Catarina's failure to pay increased tariff rates for interruptible throughput volumes from Eastern Catarina and its refusal to pay the incremental infrastructure fee since July 2021. Catarina Midstream also seeks its attorneys' fees, costs, and pre- and post-judgment interest from SN Catarina. SN Catarina filed a counterclaim against Catarina Midstream alleging Catarina Midstream's June 24, 2021 tariff rate increase, and its two prior tariff rate increases under the Gathering Agreement, constitute breaches of contract. SN Catarina also alleges that Catarina Midstream's continued addition of the incremental infrastructure fee on a month-to-month basis after March 31, 2018 constitutes an additional breach of the Gathering Agreement. SN Catarina seeks declaratory and injunctive relief, monetary damages, and attorneys' fees and costs.

**Item 1A. Risk Factors**

Carefully consider the risk factors under "Part I, Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2020. There have been no significant changes except as follows:

***You will not receive cash distributions on your common units until we are able to redeem 100% of the outstanding Class C Preferred Units, as a result, you are unlikely to receive cash distributions on your common units for the foreseeable future.***

Our partnership agreement prohibits us from declaring or making any distributions, redemptions or repurchases in respect of any junior securities or any parity securities until the first quarter in which no Class C Preferred Units remain outstanding. This means that you will not receive any cash distributions on your common units until such time as we are able to redeem all of the outstanding Class C Preferred Units. We currently have the right to redeem 100% of the outstanding Class C Preferred Units for cash at the greater of the current market price or the liquidation preference for the Class C Preferred Units. As of November 9, 2021, the liquidation preference for the Class C Preferred Units was approximately $417.4 million. Our total revenues for the three months ended September 30, 2021 were approximately $16.9 million. As a result, you are unlikely to receive cash distributions on your common units for the foreseeable future.

***Stonepeak and its affiliates may sell common units in the public or private markets, and such sales could have an adverse impact on the trading price of the common units.***

As of November 9, 2021, Stonepeak and its affiliates owned (i) 61,399,542 common units, representing approximately 54% of our outstanding common units, and (ii) the Stonepeak Warrant, which entitles Stonepeak Catarina to receive junior securities of the Partnership (including common units) representing 10% of all junior securities deemed outstanding when exercised. Additionally, we have agreed to provide Stonepeak Catarina with certain registration rights under applicable securities laws. The sale of these common units in the public or private markets could have an adverse impact on the price of the common units or on the trading market for our common units.

***The New Executives have significant duties with, and spend significant time serving, HOBO and may have conflicts of interests in allocating time or pursuing business opportunities.***

The New Executives who, together with the Board and our existing officers and employees, will be responsible for managing the direction of our operations, hold positions of responsibility with HOBO and other entities. Subject to restrictions in the Framework Agreement and their respective Executive Services Agreements, the New Executives may pursue other business or investment ventures while employed with us. Additionally, as a result of their ownership of HOBO, the New Executives are incentivized to achieve specific milestones with respect to the Initial Project, which may result in additional time being allocated to the Initial Project and the HOBO Transaction. Accordingly, each of the New Executives may have conflicts of interest in allocating time among various business activities and potentially competitive fiduciary and pecuniary interests that conflict with our interests. These conflicts may not be resolved in our favor.

***You may continue to experience substantial dilution.***

On November 16, 2020, we entered into the "Stonepeak Letter Agreement" wherein we agreed with Stonepeak Catarina that the distribution on their Class C Preferred Units for the three months ended September 30, 2020 would be paid in common units instead of Class C Preferred PIK Units, cash or a combination thereof. The Stonepeak Letter Agreement also provides Stonepeak Catarina with the ability to elect to receive distributions on the Class C Preferred Units in common units for any quarter following the third quarter of 2020 by providing written notice to us no later than the last day of the calendar month following the end of such quarter. The transactions under the Stonepeak Letter Agreement were approved by the conflicts committee of the Board. As a result of the Stonepeak Letter Agreement, we have issued a total of 56,496,459 common units to Stonepeak Catarina representing all distributions made to Stonepeak Catarina since the third quarter of 2020. In accordance with the Stonepeak Letter Agreement, on October 29, 2021, we received written notice of Stonepeak Catarina's election to receive distributions on the Class C Preferred Units

for the quarter ended September 30, 2021 in common units. In accordance with the Stonepeak Letter Agreement, we will issue 10,832,186 common units to Stonepeak on November 22, 2021. Additionally, in order to fulfill our funding and reimbursement obligations in connection with the Levo JV and the HOBO Transaction, we may issue additional common units, which will result in current common unitholders experiencing dilution. Finally, Stonepeak Catarina may elect to receive future distributions on their Class C Preferred Units in common units instead of Class C Preferred PIK Units. As a result of the foregoing, you may experience substantial future dilution.

***The market price of our common units has been extremely volatile and may continue to be volatile due to numerous circumstances beyond our control.***

The market price of our common units has fluctuated, and may continue to fluctuate, widely, due to various factors, many of which are beyond our control. These factors include, without limitation:

- comments by securities analysts or other third parties, including blogs, articles, message boards and social and other media;
- actual or anticipated fluctuations in our financial and operating results;
- provisions in our Amended Credit Agreement which currently prohibit us from paying distributions to our common unitholders other than in certain limited circumstances set forth in our Amended Credit Agreement;
- announcements by us or our competitors of significant contracts or acquisitions;
- changes in accounting standards, policies, guidance, interpretations or principles;
- general economic conditions, including interest rates and governmental policies impacting interest rates;
- future sales of our common units; and
- other factors described in the documents incorporated by reference herein.

Stock markets in general and our common unit price in particular have recently experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the companies impacted, including us. For example, since September 1, 2021, our common units have closed at a high of $1.34 per common unit and a low of $0.88 per common unit. In addition, during that same period, daily trading volume ranged from approximately 1,498,300 to 32,673,900 common units. These broad market fluctuations may adversely affect the trading price of our common units, which may limit or prevent investors from readily selling their common units and may otherwise negatively affect the liquidity of our common units.

***Failure to achieve commercial resolution with Mesquite could adversely affect our business, cash flows and results of operations.***

The Settlement Agreement contemplated, among other things, our entry into Amendment No. 2 to the Gathering Agreement (the "Gathering Agreement Amendment") providing for, among other things, the dedication of Eastern Catarina by Mesquite and the establishment of field-wide rates.

As a result of our receipt of the Settlement Agreement Termination Notice, the Gathering Agreement Amendment will not become effective. The western portion of Mesquite's acreage position in Dimmit, La Salle and Webb counties in Texas is currently dedicated under the Gathering Agreement. As previously disclosed, on June 24, 2021, we increased the tariff rate for interruptible throughput volumes from Eastern Catarina. Despite the increase, Mesquite short-paid the initial invoice and continues to pay the tariff rate in effect prior to the June 24, 2021 increase. We are currently engaged in arbitration with Mesquite on a commercial resolution for Eastern Catarina. Additionally, we are also involved in the Mesquite Adversary. There can be no guarantee that we are able to reach any commercial resolution and our failure to do so could adversely affect our business, financial condition, cash flows and results of operations.

***We may be unable to maintain compliance with the NYSE American listing standards. If our common units are delisted, it could adversely affect our business, cash flows and results of operations.***

Our common units are currently listed on the NYSE American. On April 3, 2020, we received notice from the NYSE American stating that we were below compliance with the continued listing standards set forth in Section 1003(a)(i) of the Company Guide. On April 29, 2021, we received a second notice from the NYSE American that we were not in compliance with the continued listing standards set forth in Section 1003(a)(ii) of the Company Guide. On October 4, 2021, the NYSE American informed us that we have regained compliance by meeting the requirements of the $50 million market capitalization exemption from the stockholders' equity requirement in Section 1003(a) of the Company Guide.

Going forward, we will be subject to the NYSE American's normal continued listing monitoring. If we are again determined to be below any of the continued listing standards of the NYSE American prior to October 4, 2022, then the NYSE American will examine the relationship between the incidents of noncompliance and re-evaluate our method of financial recovery from the prior incidents. The NYSE American may, among other things, truncate the compliance procedures described in Section 1009 of the Company Guide or immediately initiate delisting proceedings with respect to our common units.

If we are unable to maintain compliance with the NYSE American listing standards, the NYSE American may delist our common units, which could adversely affect our business, cash flows and results of operations.

***We may be unable to fund our capital requirements for the Levo JV and the HOBO Transaction.***

Upon completion of certain milestones or execution of specific contracts, we will be asked to provide capital to fulfill our funding and reimbursement obligations in connection with the Levo JV and the HOBO Transaction. If we cannot provide capital for such opportunities from cash on hand or borrowings under our Amended Credit Facilities, we may need to raise additional funds through the issuance of securities, including equity, debt or a combination of both. Additional financing may not be available to us on favorable terms, or at all. If we are unable to access the capital markets and other adequate financing is not available to us on acceptable terms, we may be unable to fund these capital requirements, which could adversely affect our business and limit our ability to expand and grow.

***We can provide no assurance that we will be successful in implementing our new energy transition infrastructure business due to competition and other factors, which could limit our ability to grow and extend our dependence on Mesquite and our midstream business.***

Part of our new business strategy is to grow our business through the acquisition and development of infrastructure critical to the transition of energy supply to lower carbon sources. This will involve identifying opportunities to offer services to third parties with our existing assets or constructing or acquiring new assets.

We are currently pursuing energy transition infrastructure opportunities and while we have entered into the Framework Agreement with HOBO and completed the formation of the Levo joint venture, we have not developed any project in connection with this business strategy. We can provide no assurance that we will be successful in implementing our new energy transition infrastructure business, which could limit our ability to grow and extend our dependence on Mesquite and our midstream business. Moreover, we may fail to realize the anticipated benefit of any project under the Framework Agreement, in connection with the Levo joint venture or any acquisition we make, or we may be unable to integrate businesses we acquire effectively. Finally, to the extent that Stonepeak, SP Holdings or our general partner are successful in pursuing energy transition opportunities, there is no guarantee that such opportunities will be offered to us.

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

As previously discussed, on August 20, 2021, pursuant to the terms of the Stonepeak Letter Agreement, we issued 8,012,850 common units to Stonepeak Catarina in response to Stonepeak Catarina's election to receive distributions on the Class C Preferred Units for the quarter ended June 30, 2021 in common units. The issuance of these common units was exempt from the registration requirements of the Securities Act pursuant to Section 4(a)(2) thereof as a transaction by an issuer not involve public offering.

**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

Not applicable.

**Item 5. Other Information**

None.

**Item 6. Exhibits**

The exhibits required to be filed pursuant to the requirements of Item 601 of Regulation S-K are set forth in the exhibit index below and are incorporated herein by reference.

**EXHIBIT INDEX**

| Exhibit Number | Description |
|---|---|
| 10.1 | Eleventh Amendment to Third Amended and Restated Credit Agreement, dated as of July 28, 2021, between Evolve Transition Infrastructure LP, the guarantors party thereto, the lenders party thereto and Royal Bank of Canada, as Administrative Agent (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by Evolve Transition Infrastructure LP on August 3, 2021, File No. 001-33147). |
| 10.2 | Amendment No. 3 to Warrant Exercisable for Junior Securities, dated August 2, 2021 (incorporated herein by reference to Exhibit 10.2 to the Current Report on Form 8-K filed by Evolve Transition Infrastructure LP on August 3, 2021, File No. 001-33147). |
| 10.3** | Amended and Restated Limited Liability Company Agreement, dated August 4, 2021, by and between Evolve Transition Infrastructure LP, Stonepeak Rocket Holdings LP, Nuvve Corporation, and Levo Mobility LLC. |
| 10.4** | Parent Letter Agreement, dated August 4, 2021, by and between Evolve Transition Infrastructure LP, Stonepeak Rocket Holdings LP, Nuvve Corporation, and Levo Mobility LLC. |
| 10.5 | Letter Agreement, dated August 10, 2021, between Evolve Transition Infrastructure LP and Royal Bank of Canada (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by Evolve Transition Infrastructure LP on August 12, 2021, File No. 001-33147). |
| 10.6 | Twelfth Amendment to Third Amended and Restated Credit Agreement dated as of August 20, 2021, between Evolve Transition Infrastructure LP, the guarantors party thereto, the lenders party thereto and Royal Bank of Canada, as administrative agent, collateral agent and letter of credit issuer (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by Evolve Transition Infrastructure LP on August 23, 2021, File No. 001-33147). |
| 31.1** | Certification of Principal Executive Officer of Evolve Transition Infrastructure GP LLC pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2** | Certification of Principal Financial Officer of Evolve Transition Infrastructure GP LLC pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32.1*** | Certification of Principal Executive Officer of Evolve Transition Infrastructure GP LLC pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 32.2*** | Certification of Principal Financial Officer of Evolve Transition Infrastructure GP LLC pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS** | Inline XBRL Instance Document |
| 101.SCH** | Inline XBRL Schema Document |
| 101.CAL** | Inline XBRL Calculation Linkbase Document |
| 101.LAB** | Inline XBRL Label Linkbase Document |
| 101.PRE** | Inline XBRL Presentation Linkbase Document |
| 101.DEF** | Inline XBRL Definition Linkbase Document |
| EX 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

** Filed herewith.

*** Furnished herewith.

**SIGNATURES**

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

Evolve Transition Infrastructure LP

By: Evolve Transition Infrastructure GP LLC, its general partner

Date: November 10, 2021 By /s/ Charles C. Ward

Charles C. Ward
Chief Financial Officer and Secretary
(Duly Authorized Officer and Principal Financial Officer)

# LEVO MOBILITY LLC

## AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

Dated as of August 4, 2021

THE UNITS ISSUED UNDER THIS AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY APPLICABLE STATE SECURITIES LAWS. SUCH UNITS MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE DISPOSED OF AT ANY TIME WITHOUT EFFECTIVE REGISTRATION UNDER THE ACT OR PURSUANT TO AN EXEMPTION FROM THE ACT AND THE APPLICABLE STATE ACTS, AND COMPLIANCE WITH THE OTHER RESTRICTIONS ON TRANSFERABILITY SET FORTH HEREIN, INCLUDING THE PROVISIONS OF **ARTICLE IX**.

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**LEVO MOBILITY LLC**

**AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT**

This **AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT** (this "**Agreement**") of Levo Mobility LLC, a Delaware limited liability company (the "**Company**"), is made and entered into as of August 4, 2021 (the "**Execution Date**"), by and among Nuvve Corporation, a Delaware corporation ("**Nuvve**"), Stonepeak Rocket Holdings LP, a Delaware limited partnership ("**Stonepeak**"), and Evolve Transition Infrastructure LP, a Delaware limited partnership ("**Evolve**").

**WHEREAS**, the Company was formed as a limited liability company in accordance with the Delaware Act on July 15, 2021;

**WHEREAS**, the Company and Nuvve are parties to that certain Limited Liability Agreement of the Company, dated as of July 15, 2021 (the "**Original LLC Agreement**");

**WHEREAS**, each of Stonepeak and Evolve agreed to make certain Capital Contributions in cash to the Company in exchange for certain Class B Preferred Units and the Class C Common Units, in each case in accordance with the terms of this Agreement;

**WHEREAS**, each of Stonepeak and Evolve agree to make Capital Contributions from time to time in cash to the Company in exchange for additional Class B Preferred Units in accordance with the terms of this Agreement; and

**WHEREAS**, as a condition to, and in connection with, each of Stonepeak and Evolve agreeing to make certain Capital Contributions, the Company and the Members desire to enter into the mutual covenants and agreements set forth in this Agreement and to amend and restate the Original LLC Agreement in its entirety.

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members, intending to be legally bound, hereby agree as follows:

## ARTICLE I
## DEFINITIONS

Capitalized terms used but not otherwise defined herein shall have the following meanings:

"**Accepted Opportunity**" has the meaning set forth in **Section 6.5(b)**.

"**Accredited Investor**" has the meaning set forth in Regulation D promulgated under the Securities Act.

"**Additional Member**" means a Person admitted to the Company as a Member pursuant to **Section 3.8**.

"**Adjusted Capital Account Deficit**" with respect to any Capital Account as of the end of any Taxable Year means the amount by which the balance in such Capital Account is less than zero. For this purpose, such Person's Capital Account balance shall be (a) reduced for any items described in Treasury Regulations Section 1.704-l(b)(2)(ii)(d)(4), (5), and (6), and (b) increased for any amount such Person is obligated to contribute or is treated as being obligated to contribute to the Company pursuant to Treasury Regulations Sections 1.704-l(b)(2)(ii)(c) (relating to partner liabilities to a partnership) or 1.704-2(g)(1) and 1.704-2(i) (relating to minimum gain).

"**Affiliate**" of any Person means any other Person, directly or indirectly, Controlling, Controlled by or under common Control with such particular Person. For the purposes of this Agreement, (a) none of Stonepeak, Evolve or their respective Affiliates shall be deemed to be an "**Affiliate**" of Nuvve Parent, Nuvve or any of their respective Affiliates or minority owned subsidiaries by virtue of their ownership of Units, (b) none of Stonepeak, Evolve or their respective Affiliates shall be deemed to be an "**Affiliate**" of the Company or its Subsidiaries or minority owned subsidiaries and (c) Nuvve Parent, Nuvve and their respective Affiliates shall each be deemed an "**Affiliate**" of the Company.

"**Affiliate Contract**" means any contract, agreement or arrangement between the Company (or any of its Subsidiaries), on the one hand, and any Affiliate of the Company, any Member or Affiliate of any Member or any of the Company's or its Affiliates' Officers, Managers or directors (each an "**Affiliated Counterparty**"), on the other hand, including and as applicable, the Transaction Documents (excluding the Board Rights Agreement and the Initial Signing Documents).

"**Aggregate Upsized Commitment Amount**" has the meaning set forth in **Section 3.2(c)**.

"**Agreement**" has the meaning set forth in the preamble to this Agreement.

"**Annual Budget**" means (a) with respect to the period from the Execution Date until December 31, 2021, the Initial Budget and (b) with respect to each Fiscal Year following the Fiscal Year ended December 31, 2021, the annual budget prepared for the Company and its Subsidiaries by the Service Provider and approved by the Board acting with Special Approval in accordance with the terms of this Agreement. In the event, however, of a failure to adopt a new Annual Budget in accordance with this Agreement by the first (1st) day of the applicable Fiscal Year, the most recent Annual Budget previously approved, subject to an increase to the operating expenses in the then applicable Annual Budget in the aggregate equal to the percentage increase, if any, in the consumer price index (CPI-U) from the effective date of such Annual Budget most recently previously approved by the Board until the first (1st) day of such Fiscal Year, shall continue unless and until a new Annual Budget is approved in accordance with this Agreement; provided that such default budget shall only include those capital expenditures for capital projects previously approved by the Board.

"**Annual Statements**" has the meaning set forth in **Section 7.2(a)**.

"**Available Cash**" means, as of any relevant time of determination, an amount equal to (a) all cash of the Company and its Subsidiaries, *minus* (b) an amount determined by the Board in good faith that is, for the six-month period following such time of determination, required to be

retained to meet any liabilities or proposed expenditures of the Company and its Subsidiaries that are (i) accrued or reasonably foreseeable, including in accordance with any Annual Budget or (ii) otherwise reasonably necessary to be retained, including, for the avoidance of doubt, (A) liabilities or proposed expenditures with respect to Preferred Distributions, (B) following the occurrence of a Redemption Event or in anticipation of a reasonably foreseeable Redemption Event, redemptions of the Class B Preferred Units in accordance with this Agreement, and (C) debt service, if any.

"**Available Securities**" has the meaning set forth in **Section 3.3(c)**.

"**Award Agreement**" means any grant agreement that the Company enters into with respect to the issuance of Class D Incentive Units.

"**Award Date**" means, with respect to any Class D Incentive Unit, the date on which the vesting period for such Class D Incentive Unit begins, whether pursuant to the terms of this Agreement, an Award Agreement or otherwise.

"**Bad Leaver Termination**" has the meaning set forth in **Section 9.11**..

"**Bankruptcy Event**" with respect to the Company or any of its Subsidiaries means (a) commencement of any case, proceeding or other voluntary action seeking to have an order for relief entered with respect to it, or seeking to adjudicate it bankrupt or insolvent, or seeking liquidation, arrangement, adjustment, winding-up, reorganization, dissolution, composition under any Bankruptcy Law or other relief with respect to it or its debts; (b) applying for, or consent or acquiesce to, the appointment of, a receiver, administrator, administrative receiver, liquidator, sequestrator, trustee or other official with similar powers for itself or any substantial part of its assets; (c) making a general assignment for the benefit of its creditors; (d) commencement of any involuntary case seeking liquidation or reorganization under any Bankruptcy Law, or seeking issuance of a warrant of attachment, execution or distraint, or commencement of any similar proceedings against the Company under any other applicable law and (i) consent to the institution of the involuntary case against it, (ii) the petition commencing the involuntary case is not timely controverted, (iii) the petition commencing the involuntary case is not dismissed within sixty (60) days of its filing, (iv) an interim trustee is appointed to take possession of all or a portion of the property, or to operate all or any part of the business of the Company or any of its Subsidiaries and such appointment is not vacated within sixty (60) days, or (v) an order for relief shall have been issued or entered therein; (e) entry of a decree or order of a court having jurisdiction in the premises for the appointment of a receiver, administrator, administrative receiver, liquidator, sequestrator, trustee or other official having similar powers, over the Company or all or a part of its property; (f) the granting of any other similar relief under any applicable Bankruptcy Law, filing a petition or consent or shall otherwise institute any similar proceeding under any other applicable law, or taking any action in furtherance of, or indicating its consent to, approval of, or acquiescence in any of the acts set forth above in this definition; (g) the Company taking any form of corporate action to be liquidated or dissolved; or (h) admitting in writing its inability to pay its debts as they become due.

"**Bankruptcy Law**" means title 11 of the United States Code, 11 U.S.C. §§ 101 et. seq. or any similar federal or state law.

"**Base Preferred Return Amount**" for each Class B Preferred Unit, as of any relevant time of determination, means an amount required to be paid with respect to such Class B Preferred Unit to cause the applicable Class B Preferred Member to receive Total Distributions sufficient to achieve the greater of (i) a twelve and a half percent (12.5%) IRR and (ii) a 1.55x MOIC.

"**Beneficial Owner**" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "Beneficially Owns" and "Beneficially Owned" have corresponding meanings. For purposes of this definition, a Person shall be deemed not to Beneficially Own securities that are the subject of a stock purchase agreement, merger agreement, amalgamation agreement, arrangement agreement or similar agreement until consummation of the transactions or, as applicable, a series of related transactions contemplated thereby.

"**Blocker Corporation**" means a special purpose Person that is classified as a corporation for U.S. federal income tax purposes that is an Affiliate of Stonepeak (or any Transferee of Stonepeak) and directly or indirectly owns Units.

"**Board**" has the meaning set forth in **Section 5.1**.

"**Board Observer**" has the meaning set forth in **Section 5.6**.

"**Board Rights Agreement**" means that certain Board Rights Agreement, dated as of the Execution Date, by and between Stonepeak and Nuvve Parent.

"**Book Value**" with respect to any asset of the Company means the asset's adjusted basis for federal income tax purposes, except that the Book Value of all assets of the Company may be adjusted to equal their respective Fair Market Values, in accordance with the rules set forth in Treasury Regulations Section 1.704-1(b)(2)(iv)(f) immediately prior to: (a) the date of the acquisition of any additional Units by any new or existing Member in exchange for more than a de minimis amount of cash or contributed property or as consideration for the provision of more than a de minimis amount of services; (b) the date of the distribution of more than a de minimis amount of cash or property of the Company to a Member; (c) the date a Unit is relinquished to the Company or (d) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g)(1). Adjustments pursuant to clauses (a), (b) and (c) above shall be made, however, only if the Board reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members. The Book Value of any asset contributed (or deemed contributed for tax purposes) by a Member to the Company will be the Fair Market Value of the asset at the date of its contribution thereto. If the Book Value of an asset has been determined or adjusted pursuant to the above, such Book Value will thereafter be adjusted by the amount of depreciation, depletion and amortization calculated for purposes of the definitions of "Profits" and "Losses" rather than the amount of depreciation, depletion and amortization for U.S. federal income tax purposes.

"**Business**" means the business of (a) acquiring, owning, selling, leasing, developing and managing electric buses, vehicles, transportation assets, and related charging infrastructure and ancillary assets, in each case, that are provided to third parties that are utilizing financing, leasing or other similar arrangements in respect of such assets and (b) participating in or otherwise providing equity, debt or other financing to any entity or other person engaged in the businesses described in the foregoing clause (a).

"**Business Day**" means any day other than a Saturday, Sunday or a day on which commercial banks are authorized or required to close in New York, New York.

"**Business Opportunities**" has the meaning set forth **Section 6.5(a)**.

"**Buyer**" has the meaning set forth in **Section 3.3(a)**.

"**Capital Account**" means the capital account maintained for a Member pursuant to **Section 3.4**.

"**Capital Contributions**" means the aggregate dollar amounts of any cash, cash equivalents, promissory obligations (but only to the extent issued and repaid prior to the applicable date of determination), or the Fair Market Value (at the time of such contribution or deemed contribution) of other property which a Member contributes or is deemed to have contributed to the Company with respect to any Unit pursuant to **Section 3.1**.

"**Cause**" has the meaning set forth in the applicable Award Agreement.

"**Certificate of Formation**" means the Company's Certificate of Formation as filed with the Secretary of State of Delaware, as the same may be amended.

"**Change of Control**" means (a) a sale of all or substantially all of the outstanding Units, or (b) a single transaction or series of related transactions in which all or substantially all of the assets of the Company are sold, leased or otherwise disposed of.

"**Class A Common Member**" means any Member holding Class A Common Units.

"**Class A Common Unit**" means a Unit in the Company designated as a "**Class A Common Unit**" and which shall provide the holder thereof with the rights and obligations specified with respect to a Class A Common Unit in this Agreement.

"**Class B Offered Interests**" has the meaning set forth in **Section 9.7(b)**.

"**Class B Preferred Member**" means any Member holding Class B Preferred Units.

"**Class B Preferred Proportional Share**" means, as of any relevant time of determination with respect to each Class B Preferred Member, as applicable, the quotient equal to (a) the total number of Class B Preferred Units held by such Class B Preferred Member as of such time, *divided by* (b) the total number of Class B Preferred Units held by all Class B Preferred Members as of such time.

"**Class B Preferred Unit**" means a Unit in the Company designated as a "**Class B Preferred Unit**" and which shall provide the holder thereof with the rights and obligations specified with respect to a Class B Preferred Unit in this Agreement.

"**Class B Proposed Third-Party Sale**" has the meaning set forth in **Section 9.7(b)**.

"**Class B Representative**" means a Person selected by a majority of the Class B Preferred Units (voting as a class), which shall initially be Stonepeak; provided, that so long as Stonepeak holds any Class B Preferred Units, the Class B Representative shall be a Person selected by Stonepeak.

"**Class B Selling Member**" has the meaning set forth in **Section 9.7(b)**.

"**Class B Tag-Along Member**" has the meaning set forth in **Section 9.7(b)**.

"**Class B Tag-Along Right**" has the meaning set forth in **Section 9.7(b).**

"**Class B Tag-Along Units**" has the meaning set forth in **Section 9.7(b)**.

"**Class C Common Member**" means any Member holding Class C Common Units.

"**Class C Common Unit**" means a Unit in the Company designated as a "**Class C Common Unit**" and which shall provide the holder thereof with the rights and obligations specified with respect to a Class C Common Unit in this Agreement.

"**Class D Incentive Unit**" means a Unit representing a profits interest in the Company issued in accordance with **Section 3.11** of this Agreement. Class D Incentive Units are not Common Units or Class B Preferred Units.

"**Class D Incentive Unit Member**" means any Member holding Class D Incentive Units. To the extent a Member holds Common Units and one or more series of Class D Incentive Units, such Member will be treated as a Class D Incentive Unit Member only with respect to the Class D Incentive Units held thereby.

"**Clawback Notice**" has the meaning set forth in **Section 9.11(g)**.

"**Clawback Party**" has the meaning set forth in **Section 9.11(g)**.

"**Clawback Payment**" has the meaning set forth in **Section 9.11(g)**.

"**Code**" means the United States Internal Revenue Code of 1986, as amended from time to time.

"**Commission**" means the United States Securities and Exchange Commission.

"**Commitment Amount**" means, with respect to each Class B Preferred Member, the amount set forth opposite its name on the Schedule of Members attached hereto under the heading

"Commitment Amount," as such amount may be reduced or increased in accordance with this Agreement including pursuant to **Section 3.2(c)**.

"**Commitment Period**" means the period beginning on the Execution Date and ending on the earliest to occur of (unless waived, in whole or in part, in writing by the Class B Representative): (a) the third (3rd) anniversary of the Execution Date; provided, that clause (a) shall be extended to (i) the fourth (4th) anniversary of the Execution Date if the Company has entered into contracts in accordance with this Agreement (including, for the avoidance of doubt, with Special Approval) with third parties to spend at least two hundred and fifty million dollars ($250,000,000) in aggregate of capital expenditures or (ii) such other date as may be determined from time to time by the Class B Representative in its sole discretion, (b) the occurrence of a Monetization Event or (c) the occurrence of a Bankruptcy Event.

"**Commitment Ratio**" means, with respect to each Class B Preferred Member, the ratio equal to (a) such Class B Preferred Member's Commitment Amount *divided by* (b) the sum of the aggregate Commitment Amounts of all Class B Preferred Members; provided, however, for purposes of this definition, no Member's Commitment Amount (nor the sum of all Commitment Amounts of all Class B Preferred Members) shall include any Aggregate Upsized Commitment Amount until such time as the Class B Preferred Member exercises its right in accordance with **Section 3.2(c)**.

"**Common Member**" means any Class A Common Member or Class C Common Member.

"**Common Units**" means the Class A Common Units and Class C Common Units it being understood that in no instance shall any Class D Incentive Unit be designated by the Board as a Common Unit).

"**Company**" has the meaning set forth in the preamble to this Agreement.

"**Company Minimum Gain**" has the meaning given to the term "partnership minimum gain" in Treasury Regulations Section 1.704-2(b)(2) and the amount of which shall be determined in accordance with the principles of Treasury Regulations Section 1.704-2(d).

"**Competitor**" means any Person that directly engages in activities similar to the Business or directly or indirectly engages in business activities similar to those engaged in by Nuvve Parent; provided, that no private equity or similar investment fund shall be deemed to engage in activities similar to the Business or business activities similar to those engaged in by Nuvve Parent by virtue of any such fund's ownership or Control of portfolio companies or individual investments.

"**Confidential Information**" has the meaning set forth in **Section 12.2**.

"**Consideration Period**" has the meaning set forth in **Section 6.5(b)**.

"**Control**" means the possession, directly or indirectly, of the power to direct, or cause the direction of, the management and policies of a Person whether through the ownership of voting securities or other ownership interests, by contract or otherwise. The terms "**Controlled**" and "**Controlling**" shall have correlative meanings.

"**Covenant Breach**" has the meaning set forth in **Section 9.11(c)**.

"**D-Eligible Distribution**" has the meaning set forth in **Section 4.4(a)**.

"**Debt Securities**" means any bonds, debentures, notes, or other similar evidences of Indebtedness of the Company or its Subsidiaries commonly known as "securities," secured or unsecured, subordinated or otherwise, or any certificates of interest, shares or participations in temporary or interim certificates for the purchase or acquisition of, or any right to subscribe to, purchase or acquire, any of the foregoing. Notwithstanding the foregoing, any such securities that also constitute Equity Securities shall not be considered Debt Securities.

"**Delaware Act**" means the Delaware Limited Liability Company Act, 6 Del. C. § 18-101 et seq., as it may be amended from time to time, and any successor to the Delaware Act.

"**Distribution**" means each distribution made by the Company to a Member, whether in cash, property or securities of the Company and whether by liquidating distribution, redemption, repurchase or otherwise.

"**Distribution Failure**" means a failure by the Company to pay a Preferred Distribution or a Preferred PIK Distribution with respect to any Class B Preferred Unit in full in cash or as an accrual to the Liquidation Preference, as applicable, within ten (10) days after the applicable Payment Date. A Distribution Failure shall be deemed to occur each time that any such failure to make such payment occurs, whether or not a prior Distribution Failure is then continuing.

"**Dragging Member**" has the meaning set forth in **Section 9.9**.

"**DSA**" means (a) that certain Development Services Agreement, dated as of the Execution Date, by and between the Company and Nuvve Parent, as may be amended or restated in accordance with its terms or (b) any similar agreement or arrangement entered into in replacement thereof as approved by the Board acting with Special Approval after the Execution Date.

"**Employer**" has the meaning set forth in **Section 3.11(a)**.

"**Employment Agreement**" means, with respect to any Class D Incentive Unit Member (or Transferee thereof), at the time of determination, the then-effective employment agreement, if any, entered into between the Employer and such current or former Class D Incentive Unit Member.

"**Equity Securities**" means: (a) Units or other equity interests in the Company or its Subsidiaries; (b) obligations, evidences of Indebtedness or other securities or interests convertible or exchangeable into Units or other equity interests in the Company or its Subsidiaries; and (c) warrants, options or other rights to purchase or otherwise acquire Units or other equity interests in the Company or its Subsidiaries.

"**Escrow Agent**" means Iron Mountain Intellectual Property Management, Inc. and any successor third party providing escrow services to the Parties.

"**Evolve**" means Evolve Transition Infrastructure LP, a Delaware limited partnership.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Execution Date**" has the meaning set forth in the preamble to this Agreement.

"**Exempted Business Opportunities**" has the meaning set forth **Section 6.5(a)**.

"**Fair Market Value**" with respect to any asset or equity interest means its fair market value determined by the Board acting with Special Approval in accordance with **Section 5.7(xxii)**.

**"Fair Value**" with respect to any Class D Incentive Unit means the amount, as determined by the Board acting with Special Approval, that a Class D Incentive Unit Member (or his, her or its Transferee) would receive in respect of such Class D Incentive Unit pursuant to this Agreement, if the assets of the Company and its Affiliates were sold for Fair Market Value and the outstanding debt of the Company and its Affiliates were satisfied and the transaction proceeds (net of a reasonable estimate of fees and expenses that would be incurred in connection with such sale) were distributed in accordance with the terms set forth in Article IV of this Agreement.

"**First Management Threshold Target**" means for each Class B Preferred Unit, as of any relevant time of determination, an amount required to be paid with respect to such Class B Preferred Unit to cause the applicable Class B Preferred Member to receive Total Distributions sufficient to achieve the greater of (a) an eight percent (8.0%) IRR and (b) a 1.0x MOIC.

"**Fiscal Quarter**" means each calendar quarter ending March 31, June 30, September 30 and December 31, or such other quarterly accounting period as may be established by the Board acting with Special Approval.

"**Fiscal Year**" means the calendar year ending on December 31, or such other annual accounting period as may be established by the Board acting with Special Approval.

"**Fully Exercising Preemptive Rights Holder**" has the meaning set forth in **Section 3.3(c)**.

"**Fundamental Change**" means: (a) a Nuvve Change of Control or a Nuvve Parent Change of Control; (b) any event after giving effect to which (i) any Person(s) (other than Nuvve Parent or its Affiliates) is entitled to receive directly or indirectly, or Nuvve Parent ceases to be entitled to receive, directly or indirectly through its Affiliates, more than fifty percent (50%) of the economic interest of the Common Units or (ii) Nuvve Parent does not, directly or indirectly, have the right to designate a majority of the Board; (c) the sale, exchange, lease or other disposition or transfer in a single transaction or series of related transactions of all or substantially all of the assets of the Company or its Subsidiaries; (d) any merger, reorganization, recapitalization, reclassification, consolidation or other change involving the Company or any other event pursuant to which the Class B Preferred Units are altered, exchanged or become entitled to receive consideration other than the Preferred Redemption Price in cash in connection therewith; (e) any Transfer by Nuvve or its Permitted Transferees of any of their Class A Common Units, other than Transfers permitted by, or otherwise made in accordance with, this Agreement; (f) any Bankruptcy Event of the Company; or (g) an initial public offering or direct listing of the Company, its Subsidiaries or of any Person that owns directly or indirectly fifty percent (50%) or more of the economic interest of the Class A Common Units (other than Nuvve Parent or its Affiliates).

"**GAAP**" means United States generally accepted accounting principles, consistently applied and as in effect from time to time.

"**Governing Documents**" means this Agreement and the Certificate of Formation.

"**Governmental Entity**" means the United States of America or any other nation, any state or other political subdivision thereof, or any entity exercising executive, legislative, judicial, regulatory or administrative functions of government including any taxing authority.

"**HSR Act**" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended from time to time.

"**Indebtedness**" with respect to the Company or any of its Subsidiaries means: (a) any indebtedness for borrowed money or issued in substitution for or exchange of indebtedness for borrowed money (including interest and prepayment penalties or obligations); (b) obligations evidenced by any note, bond, debenture or similar instrument; (c) obligations for the deferred purchase price for a company, business, or other property or services (excluding ordinary course trade payables and accrued expenses); (d) indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by the Company or any of its Subsidiaries (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property); (e) obligations by which the Company or any of its Subsidiaries assures a creditor against loss (including contingent reimbursement liabilities with respect to letters of credit); (f) capital lease obligations; (g) obligations, contingent or otherwise, as an account party or applicant under acceptance, letter of credit or similar facilities; (h) except with respect to the Company's obligations contained in this Agreement, obligations of the Company or any of its Subsidiaries, contingent or otherwise, to purchase, redeem, retire or otherwise acquire for value any Equity Securities; (i) indebtedness secured by any lien on property owned by the Company or any of its Subsidiaries, whether or not such Person has assumed or become liable for the payment of such obligation; and (j) any guarantee of indebtedness in any manner by the Company or any of its Subsidiaries (including guarantees in the form of an agreement to repurchase or reimburse).

"**Indemnitee**" means (a) any Member or (b) any Person who is or was a Manager, Independent Manager, Officer, fiduciary, trustee, or managing member of the Company or a Member.

"**Independent Manager**" means a natural Person (a) retained through a nationally recognized independent director service mutually agreed to by Nuvve and Stonepeak, (b) who is duly appointed or elected in accordance with this Agreement as an Independent Manager or equivalent, and (c) who is not, shall not have been at any time during the preceding five (5) years, and during the continuation of his or her service as an Independent Manager shall not become: (i) a member, partner, shareholder, manager, officer (other than an Independent Manager), employee or attorney of the Company, an Affiliate of the Company or their respective equityholders; (ii) a customer, creditor, supplier or service provider (including provider of professional services) to, or other Person who purchases or derives its revenues from, the Company or any Affiliate thereof (other than a company that provides professional independent managers and other similar services to the Company or an Affiliate thereof in the ordinary course of its business); (iii) a Person that

Controls (whether directly, indirectly or otherwise) or is under common Control with any Person described in clause (i) or (ii) above; or (iv) a member of the immediate family or other close relative of any Person described in clause (i), (ii) or (iii) above. To the extent possible, such Person shall have prior experience serving as an independent manager, independent director, independent member, or equivalent for a bankruptcy remote entity in the electric vehicle or renewables industries.

"**Initial Budget**" means the initial budget of the Company and its Subsidiaries for the period from the Execution Date until December 31, 2021, attached hereto as **Exhibit A**.

"**Initial Signing Documents**" means, collectively, (i) the Letter Agreement, (ii) the Nuvve Parent Warrants, (iii) the Registration Rights Agreement, and (iv) the Securities Purchase Agreement.

"**Investment Company Act**" means the Investment Company Act of 1940, as amended.

"**IP Escrow Agreement**" means that certain Three Party Escrow Agreement, dated as of the Execution Date, by and among Nuvve Parent, Escrow Agent, and the Company.

"**IP License Agreement**" means that certain Intellectual Property License and Escrow Agreement, dated as of the Execution Date, by and among Nuvve Parent, Escrow Agent, and the Company.

"**IPO**" means any firm commitment underwritten offering of equity interests on a Recognized Stock Exchange of any IPO Issuer (including any such offering of equity interests on a secondary basis) to the public pursuant to an effective registration statement under the Securities Act or a direct listing of equity interests of any IPO Issuer on a Recognized Stock Exchange.

"**IPO Issuer**" has the meaning set forth in **Section 11.3(b)**.

"**IRR**" means, with respect to each Class B Preferred Unit, as of the relevant time of determination, an actual annual pre-tax return of the specified percentage, compounded annually, on the aggregate Capital Contributions attributable to such Class B Preferred Unit. IRR with respect to each Class B Preferred Unit shall be calculated (a) assuming (i) the Capital Contribution in respect of such Class B Preferred Unit was paid on the date it was funded and (ii) all relevant Distributions (other than Tax Distributions with respect to such Class B Preferred Unit under **Section 4.1**) in respect of such Class B Preferred Unit pursuant to **Section 4.2** have been made on the date actually paid by the Company; and (b) using the XIRR function in the most recent version of Microsoft Excel (or if such program is no longer available, such other software program for calculating IRR determined by the Board acting with Special Approval in good faith).

"**Key Employee**" at any given time means an employee of the Company that (a) holds the title of Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer (or such other similar titles) or (b) has an annual salary of at least one hundred thousand dollars ($100,000).

"**Letter Agreement**" means that certain Letter Agreement, dated as of May 17, 2021, by and among Stonepeak, Evolve, and Nuvve Parent.

"**Liabilities**" means, as to any Person, all liabilities and obligations of such Person, whether matured or unmatured, liquidated or unliquidated, primary or secondary, direct or indirect, absolute, fixed or contingent, and whether or not required to be considered pursuant to GAAP.

"**Lien**" means, with respect to any property or assets, any right or interest to such property or assets of a creditor to secure Liabilities owed to it or any other arrangement with such creditor that provides for the payment of such Liabilities out of such property or assets or that allows such creditor to have such Liabilities satisfied out of such property or assets prior to the general creditors of any owner of such property or assets, including any lien, mortgage, Equity Securities, pledge, deposit, production payment, rights of a vendor under any title retention or conditional sale agreement or lease substantially equivalent to the foregoing interests, tax lien (other than a lien for taxes that are not yet due and payable), mechanic's or materialman's lien, or any other charge or encumbrance for security purposes, whether arising by law or agreement or otherwise, but excluding any right of offset that arises without agreement in the ordinary course of business. "**Lien**" also means any filed financing statement, any registration of a pledge (such as with a lender of uncertificated securities), or any other arrangement or action that would serve to perfect a Lien described in the preceding sentence, regardless of whether such financing statement is filed, such registration is made, or such arrangement or action is undertaken before or after such Lien exists.

"**Liquidation Preference**" means, with respect to each Class B Preferred Unit as of the relevant time of determination, an amount equal to (a) one thousand dollars ($1,000) *plus* (b) all Unpaid Amounts with respect to such Class B Preferred Unit as of such time, *minus* (c) all Distributions paid in cash with respect to such Class B Preferred Unit pursuant to **Section 4.2(a)(iii)** as of such time.

"**LLCA Breach**" has the meaning set forth in **Section 9.11(c)**.

"**Manager**" has the meaning set forth in **Section 5.1**.

"**Member**" means each of the Persons listed on the Schedule of Members attached hereto, and any Person admitted to the Company as a Substituted Member or Additional Member, but only so long as such Person is the owner of one or more Units, each in such Person's capacity as a member of the Company.

"**Member Nonrecourse Debt**" has the meaning given to the term "partner nonrecourse debt" in Treasury Regulations Section 1.704-2(b)(4).

"**Member Nonrecourse Debt Minimum Gain**" has the meaning given to the term "partner nonrecourse debt minimum gain" in Treasury Regulations Section 1.704-2(i)(2).

"**Member Nonrecourse Deductions**" means any and all items of loss, deduction, expenditure (including any expenditure described in Section 705(a)(2)(B) of the Code) that, in accordance with the principles of Treasury Regulations Section 1.704-2(i), are attributable to Member Nonrecourse Debt.

"**MOIC**" means, as of any relevant time of determination and with respect to any Unit, a multiple on invested capital which shall be an amount equal to (a) Total Distributions with respect

to such Unit *divided by* (b) the aggregate amount of Capital Contributions made with respect to such Unit as of such time.

"**Monetization Event**" means the consummation of an IPO or Monetization Sale.

"**Monetization Sale**" means (a) a consolidation, merger or other similar business combination of the Company with or into any other Person, after giving effect to which (i) the Members or their respective Affiliates (excluding any limited partners or portfolio companies thereof) immediately preceding such consolidation, merger or other similar business combination do not hold equity interests representing the right to receive a majority of the distributions of the Person surviving or resulting from such consolidation, merger or other similar business combination or (ii) the holders of the equity interests of the Company immediately prior to such transaction (excluding any limited partners or portfolio companies thereof) will no longer have the right to designate a majority of the Board or similar governing body of the Company or surviving entity, (b) a sale of all or substantially all of the outstanding Units or all or substantially all of the Class B Preferred Units, or (c) a single transaction or series of related transactions in which all or substantially all of the assets of the Company are sold, leased or otherwise disposed of.

"**Non-Compete Period**" has the meaning set forth in **Section 6.5(c)**.

"**Non-Fully Exercising Preemptive Rights Holder**" has the meaning set forth in **Section 3.3(c)**.

"**Non-Funded Interests**" has the meaning set forth in **Section 3.2(f)**.

"**Non-Funding Member**" has the meaning set forth in **Section 3.2(b)**.

"**Nonrecourse Liability**" has the meaning given to such term in Treasury Regulations Section 1.704-2(b)(3).

"**Notice Period**" has the meaning set forth in **Section 9.7(e)**.

"**Nuvve**" means Nuvve Corporation, a Delaware corporation.

"**Nuvve Change of Control**" means the occurrence of any sale, exchange, lease or other disposition or transfer, in a single transaction or series of related transactions and however structured, including by way of any consolidation, conversion, merger or other similar business combination of any nature, following which the Permitted Persons, in the aggregate, (i) cease to be the beneficial owner, directly or indirectly, of at least fifty percent (50%) of the equity interests of Nuvve (or any surviving entity), or (ii) cease to own equity interests in Nuvve (or any surviving entity) that enable the Permitted Persons, in the aggregate, to elect a majority of the board of directors or similar governing body of Nuvve (or such surviving entity).

"**Nuvve Manager**" has the meaning set forth in **Section 5.2(a)**.

"**Nuvve Offered Interests**" has the meaning set forth in **Section 9.7(a)**.

"**Nuvve Parent**" means Nuvve Holding Corp., a Delaware corporation.

"**Nuvve Parent Change of Control**" means the occurrence of any of the following: (a) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of Nuvve Parent and its Subsidiaries taken as a whole to any Person (including any "person" (as that term is used in Section 13(d)(3) of the Exchange Act)); (b) the adoption of a plan relating to the liquidation or dissolution of Nuvve Parent; or (c) the consummation of any transaction (including any merger or consolidation), the result of which is that any Person (including any "person" (as defined above)), becomes the Beneficial Owner, directly or indirectly, of more than fifty percent (50%) of the Voting Stock of the Company, measured by voting power rather than number of shares, units or the like.

"**Nuvve Parent Shares**" means the shares of common stock, par value $0.0001 per share, of Nuvve Parent.

"**Nuvve Parent Warrants**" means those certain Series B Warrants, Series C Warrants, Series D Warrants, Series E Warrants and Series F Warrants, in each case, dated as of May 17, 2021.

"**Nuvve Proposed Third-Party Sale**" has the meaning set forth in **Section 9.7(a)**.

"**Nuvve Selling Member**" has the meaning set forth in **Section 9.7(a)**.

"**Nuvve Tag-Along Member**" has the meaning set forth in **Section 9.7(a)**.

"**Nuvve Tag-Along Right**" has the meaning set forth in **Section 9.7(a)**.

"**Nuvve Tag-Along Units**" has the meaning set forth in **Section 9.7(a)**.

"**Offered Interests**" means the Nuvve Offered Interests or the Class B Offered Interests, as applicable.

"**Officers**" means each Person designated as an officer of the Company to whom authority and duties have been delegated pursuant to **Section 5.11**, subject to any resolution of the Board appointing or removing such Person as an officer or relating to such appointment or such delegation of authority or duties.

"**Original LLC Agreement**" has the meaning set forth in the recitals to this Agreement.

"**Other Investments**" has the meaning set forth in **Section 6.6(a)(i)**.

"**Parent Letter Agreement**" means that certain Parent Letter Agreement, dated as of the Execution Date, by and among Stonepeak, the Company and Nuvve Parent.

"**Participating Members**" has the meaning set forth in **Section 11.2(f)**.

"**Partnership Representative**" means the "partnership representative" as defined in Section 6223 of the Code.

"**Partnership Tax Audit Rules**" means Sections 6221 through 6241 of the Code, as amended by the Bipartisan Budget Act of 2015, together with any guidance issued thereunder or successor provisions and any similar provision of state and local tax laws.

"**Party**" or "**Parties**" means the Company, each Member, and each Additional Member (if any), individually and collectively, respectively.

"**Payment Date**" means, with respect to each Fiscal Quarter, as applicable, the date that is ten (10) Business Days following the end of such Fiscal Quarter (or if such date is on a day that is not a Business Day, the next Business Day immediately following such date).

**"Permanent Disability**" has the meaning set forth in the applicable Award Agreement.

"**Permitted Beneficiary**" means, with respect to any Ultimate Employee, such Ultimate Employee's (a) spouse (or ex-spouse) and lineal descendants thereof (including by adoption), (b) lineal descendants (including by adoption) and spouses thereof, (c) siblings (including by adoption), spouses thereof and lineal descendants thereof (including by adoption) and (d) spouse's siblings (including by adoption), spouses thereof and lineal descendants thereof (including by adoption).

"**Permitted Estate Planning Transfer**" means any direct or indirect Transfer of Class D Incentive Units: (a) occurring as a result of the death of a Class D Incentive Unit Member (whether any such Transfer is by will or intestacy or pursuant to the terms of the governance agreements of such Class D Incentive Unit Member) or (b) to a Trust or Permitted Beneficiary of the Class D Incentive Unit Member during their respective lifetimes for bona fide estate planning purposes so long as, after giving effect to such Transfer described in this clause (b), the applicable Class D Incentive Unit Member still Control their respective interests in the Trust during their respective lifetimes.

"**Permitted Persons**" means Nuvve Parent and its Affiliates.

"**Permitted Transfer**" means any Transfer to a Permitted Transferee.

"**Permitted Transferee**" with respect to any Member means: (a) any of such Member's (other than the Class D Incentive Unit Member's) Affiliates and (b) any Transferee in connection with a Monetization Event.

"**Person**" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, association or other entity or a Governmental Entity.

"**PIPE Commitment**" means that certain commitment to purchase Nuvve Parent Shares pursuant to the Securities Purchase Agreement.

"**Preemptive Rights Holder**" has the meaning set forth in **Section 3.3(a)**.

"**Preemptive Rights Notice**" has the meaning set forth in **Section 3.3(a)**.

"**Preferred Distribution**" means, with respect to each Class B Preferred Unit held by the applicable Class B Preferred Member, an amount equal to the product of (a)(i) the then-applicable Preferred Distribution Rate *divided by* (ii) four (4), *multiplied by* (b) the Liquidation Preference for such Class B Preferred Unit as of the end of the immediately preceding Fiscal Quarter.

"**Preferred Distribution Rate**" means eight percent (8.0%) per annum, compounded on the last day of each Fiscal Quarter. Notwithstanding the foregoing, upon the occurrence of a Distribution Failure, the Preferred Distribution Rate shall increase to an annual rate of nine percent (9.0%), accruing from the first (1st) day after the end of the Fiscal Quarter with respect to which such Distribution Failure occurs and if such Distribution Failure is a result of a second (2nd) Distribution not being paid in full, the Preferred Distribution Rate shall increase to an annual rate of ten percent (10.0%). If such Distribution Failure is cured and all unpaid Distributions that are due and payable as of such date have been paid in full, the annual rate will revert to eight percent (8.0%), accruing from the first (1st) day after the date on which such Distribution Failure is cured and subject to increase in the event another Distribution Failure occurs in the future.

"**Preferred PIK Distribution**" has the meaning set forth in **Section 4.2(c)**.

"**Preferred PIK Period**" means the period beginning on the Execution Date and ending upon the end of the first (1st) full twelve (12) Fiscal Quarters following the date on which the Class B Preferred Members have made aggregate Capital Contributions of at least fifty million dollars ($50,000,000) in cash with respect to the aggregate Commitment Amount.

"**Preferred Redemption Price**" means, as of any relevant time of determination with respect to each Class B Preferred Unit, an amount equal to the greater of (a) the Liquidation Preference of such Class B Preferred Unit and (b) the applicable Base Preferred Return Amount of such Class B Preferred Unit.

"**Preferred to Value Ratio**" means, as of any relevant time of determination, the ratio equal to (a) the sum of (i) the existing Indebtedness of the Company and any of its Subsidiaries, *plus* (ii) the aggregate Liquidation Preference of the issued and outstanding Class B Preferred Units, *divided by* (b) the net present value, discounted at eight percent (8.0%) per annum, of the forecasted future net contracted cash flows expected to accrue to the Company and its Subsidiaries, as determined by the Board in good faith. The Preferred to Value Ratio shall be calculated *pro forma* for the subject Distribution pursuant to **Section 4.2**.

"**Prime Rate**" means, as of any relevant time of determination, the prime rate of interest as published on that date in The Wall Street Journal, and generally defined therein as "the base rate on corporate loans posted by at least seventy-five percent (75%) of the nation's thirty (30) largest banks." If The Wall Street Journal is not published on a date for which the Prime Rate must be determined, the Prime Rate shall be the prime rate published in The Wall Street Journal on the nearest-preceding date on which The Wall Street Journal was published and if The Wall Street Journal ceases to publish such rate, then the Class B Representative shall pick a substitute rate that most closely approximates such rate, as determined in the Class B Representative's good faith judgment.

"**Proceeding**" has the meaning set forth in **Section 6.1(a)**.

"**Profits**" and "**Losses**" means the taxable income or loss, respectively, of the Company as determined for federal income tax purposes, as adjusted by **Section 3.4(b)**. Profits and Losses shall be determined net of any amounts allocable in **Section 4.6**.

"**Profits Interests**" has the meaning set forth in **Section 3.11(d).**

"**Proportional Share**" means, as of any relevant time of determination with respect to each Common Member, as applicable, the quotient equal to (a) the total number of Common Units held by such Common Member as of such time *divided by* (b) the total number of Common Units held by all Common Members as of such time.

"**Proposed Third-Party Sale**" means the Nuvve Proposed Third-Party Sale or the Class B Proposed Third-Party Sale, as applicable.

"**Proposed Transfer**" has the meaning set forth in **Section 9.8**.

"**Qualified Opportunity**" means a Business Opportunity that meets the qualifying criteria set forth on **Exhibit B**, as may be amended, supplemented or modified from time to time in accordance with **Section 6.5(e)**.

"**Quarterly Statements**" has the meaning set forth in **Section 7.2(b)**.

"**Recapitalization**" has the meaning set forth in **Section 11.3(d)(i)**.

"**Recognized Stock Exchange**" means the New York Stock Exchange or The NASDAQ Stock Market.

"**Redemption Event**" has the meaning set forth in **Section 11.1(a)**.

"**Registrable Securities**" means any securities of an IPO Issuer owned by a Person that was a Member immediately prior to an IPO (or such Person's Permitted Transferees), and any such securities which are the same class as, or convertible or exchangeable into, or redeemable for, the equity securities sold in the IPO.

"**Registration Rights Agreement**" means that certain Registration Rights Agreement, dated as of May 17, 2021, by and among Stonepeak, Evolve, and Nuvve Parent.

"**Regulatory Allocations**" has the meaning set forth in **Section 4.6(g)**.

"**Rejected Opportunity**" has the meaning set forth in **Section 6.5(d)**.

"**Remaining Commitment Amount**" means, as of the relevant time of determination with respect to each Class B Preferred Member, an amount equal to (a) its Commitment Amount, *minus* (b) the aggregate Capital Contributions made (and all unfunded Capital Contributions, if any, required to be made pursuant to previous capital calls) by such Class B Preferred Member prior to such time.

"**Renounced Business Opportunity**" has the meaning set forth in **Section 6.6(b)(i)(C)**.

"**Reorganization**" has the meaning set forth in **Section 11.3(b)**.

"**Repurchase Note**" has the meaning set forth in **Section 9.11(d)**.

"**Repurchase Notice**" has the meaning set forth in **Section 9.11(d)**.

"**Repurchase Period**" has the meaning set forth in **Section 9.11(d)**.

"Retained Distributions" has the meaning set forth in **Section 4.4(c)**

"**ROFO Acceptance Notice**" has the meaning set forth in **Section 9.8**.

"**ROFO Holders**" has the meaning set forth in **Section 9.8**.

"**ROFO Notice**" has the meaning set forth in **Section 9.8**.

"**ROFO Offer**" has the meaning set forth in **Section 9.8**.

"**ROFO Offer Price**" has the meaning set forth in **Section 9.8**.

"**ROFO Offered Units**" has the meaning set forth in **Section 9.8**.

"**Sale Notice**" has the meaning set forth in **Section 9.7(c)**.

"**Schedule of Members**" means the Schedule of Members attached hereto.

"**Second Management Threshold Target**" means for each of Stonepeak and Evolve, each in its capacity as a Member, as of any relevant time of determination, an amount required to be paid with respect to the aggregate Class B Preferred Units and Class C Common Units held by such Member to cause such Member to receive Total Distributions with respect to such Units sufficient to achieve the greater of (i) a fifteen percent (15.0%) IRR and (ii) a 2.0x MOIC.

"**Securities**" means Debt Securities and Equity Securities.

"**Securities Act**" means the Securities Act of 1933, as amended, and any successor statute thereto and the rules and regulations of the Commission promulgated thereunder.

"**Securities Purchase Agreement**" means that certain Securities Purchase Agreement, dated as of May 17, 2021, by and among Stonepeak, Evolve, and Nuvve Parent.

"**Selling Member**" means the Nuvve Selling Member or the Class B Selling Member, as applicable.

"**Selling ROFO Member**" has the meaning set forth in **Section 9.8**.

"**Service Provider**" means Nuvve Parent under the DSA initially, and any other Person hereafter appointed as the "Service Provider" by approval of the Board and the Class B Representative.

"**Special Approval**" means the prior written approval of the Class B Representative and at least one (1) Stonepeak Manager.

"**Stonepeak**" means Stonepeak Rocket Holdings LP, a Delaware limited partnership.

"**Stonepeak Fund Group**" means, collectively, Stonepeak, its Affiliates and its and their respective limited partners, general partners, members, managed accounts, stockholders and portfolio companies. Notwithstanding anything herein to the contrary, the Stonepeak Fund Group does not include the Company or any of its Subsidiaries.

"**Stonepeak Fund Parties**" means, collectively, the members of the Stonepeak Fund Group, their respective Affiliates and their respective Affiliates' portfolio companies. Notwithstanding anything herein to the contrary, the Stonepeak Fund Parties do not include the Company or any of its Subsidiaries.

"**Stonepeak Manager**" has the meaning set forth in **Section 5.2(a)**.

"**Subject Repurchase Party**" has the meaning set forth in **Section 9.7(c)**.

"**Subject Units**" has the meaning set forth in **Section 9.11(b)(i)**.

"**Subsidiary**" with respect to any Person means: any corporation, limited liability company, partnership, association or business entity of which (a) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or Controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; or (b) if a limited liability company, partnership, association or other business entity (other than a corporation), a majority of limited liability, partnership or other similar ownership interests thereof with voting rights at the time owned or Controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes of this definition, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity (other than a corporation) if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or Control, directly or indirectly, the manager, managing member, managing director (or a board comprised of any of the foregoing) or general partner of such limited liability company, partnership, association or other business entity.

"**Substituted Member**" means a Person that is admitted as a Member to the Company pursuant to **Section 3.9**.

"**Tag-Along Member**" means the Nuvve Tag-Along Member or the Class B Tag-Along Member, as applicable.

"**Tag-Along Notice**" has the meaning set forth in **Section 9.7(e)**.

"**Tag-Along Right**" means the Nuvve Tag-Along Right or the Class B Tag-Along Right, as applicable.

"**Tax Amount**" means, with respect to any holder of Common Units or Class B Preferred Units, an amount that in the good faith judgment of the Board is equal to (a) the amount of taxable income or gain allocable in respect of the Common Units, Class B Preferred Units or Class D Incentive Units, as applicable, owned by such holder for the applicable period, *less* any taxable losses or deductions allocable in respect of such Units for the current taxable period or any prior taxable period, *multiplied by* (b) the combined maximum federal, state and local income tax rate to be applied with respect to such taxable income (calculated using the Board's determination of the highest maximum combined marginal federal, state and local income tax rates applicable to an individual or corporation (whichever is higher) resident in or doing business in New York, New York, taking into account the character of such taxable income and the deductibility of state income tax for federal income tax purposes, subject to any applicable limitations on deductibility), but not taking into account any deduction allowable under Section 199A of the Code.

"**Tax Distribution**" has the meaning set forth in **Section 4.1**.

"**Taxable Year**" means the Company's accounting period for federal income tax purposes determined pursuant to **Section 8.2** or such other relevant period.

"**Termination**" means, as determined by the Board acting with Special Approval with respect to any Ultimate Employee, the termination of a Person's employment or service with such Employer that such Person is principally employed by or to which such Person principally provides services for any or no reason, including as a result of (a) the termination of the DSA, (b) such Person no longer providing services under the DSA or other similar arrangement, or (c) the Employer no longer being a Subsidiary or Affiliate of the Company because of a sale, divestiture or other disposition of such Subsidiary or Affiliate by the Company (whether such disposition is effected by the Company or another Subsidiary or Affiliate thereof); provided, that notwithstanding the foregoing, to the extent any Dedicated Employee's (as defined in the DSA) employment with Nuvve or its Affiliates is terminated and such Dedicated Employee is, in connection with such termination, subsequently employed by the Company or its Affiliates pursuant to the DSA, such termination shall not be deemed to be a "Termination". No period of notice that is or ought to have been given under applicable law in respect of the termination of employment or service shall be taken into account in determining any entitlement under this Agreement. Furthermore, a Person who goes on a leave of absence approved by the Employer shall not be deemed to have ceased such Person's employment or service with the Employer during the period of such approved leave. For the avoidance of doubt, except as may be set forth herein or in such Person's Award Agreement, or as otherwise determined by the Board acting with Special Approval, a Termination shall be deemed to have occurred upon a Class D Incentive Unit Member's status changing, such that the Class D Incentive Unit Member is no longer an employee, consultant or director of the Employer.

"**Third Management Threshold Target**" means, for each of Stonepeak and Evolve, each in its capacity as a Member, as of any relevant time of determination, an amount required to be paid with respect to the aggregate Class B Preferred Units and Class C Common Units held by such Member to cause such Member to receive Total Distributions with respect to such Units sufficient to achieve the greater of (a) a twenty percent (20.0%) IRR and (b) a 2.5x MOIC.

"**Third Party Terms**" has the meaning set forth in **Section 9.7(c)**.

"**Threshold Value**" has the meaning set forth in **Section 3.11(d)**.

"**Total Distributions**" means, as of any relevant time of determination and with respect to any Unit, the sum of the total amount of cash and the Fair Market Value (as of such date of actual Distribution) of property or securities of all Distributions made as of such date of determination (and solely for purposes of **Section 9.9**, together with the sum of the total amount of cash reasonably expected to, in the good faith determination of the Dragging Member, be distributed in connection with such Monetization Sale, as applicable) with respect to such Unit (exclusive of Tax Distributions with respect to any such Class B Preferred Unit and inclusive of Tax Distributions with respect to any such Common Unit).

"**Transaction Documents**" means, collectively, (a) this Agreement, (b) the DSA, (c) the Parent Letter Agreement, (d) the IP Escrow Agreement, (e) the Board Rights Agreement and (f) the Initial Signing Documents.

"**Transfer**" means any direct or indirect sale, transfer, assignment, mortgage, exchange, hypothecation, gift, grant of a security interest or other direct or indirect disposition or encumbrance (whether with or without consideration, whether voluntarily or involuntarily or by operation of law) or the acts thereof, including derivative or similar transactions or arrangements whereby a portion or all of the economic interest in, or risk of loss or opportunity for gain with respect to, Units is transferred or shifted to another Person. The terms "**Transferee**," "**Transferor**," "**Transferred**," and other forms of the word "**Transfer**" shall have the correlative meanings. For the avoidance of doubt, except as otherwise provided herein (including by use of the defined term "**Transfer**"), the use of the word "transfer" with respect to any Units shall mean the transfer of the direct ownership of such Units. Notwithstanding the foregoing, the use of the defined term "**Transfer**" shall not include (a) indirect transfers of Class A Common Units resulting solely from acquisitions and dispositions of Nuvve Parent Shares on a Recognized Stock Exchange unless such transfers would otherwise constitute a Nuvve Parent Change of Control or (b) indirect transfers of Units resulting solely from acquisitions and dispositions of the equity interests of Evolve.

"**Treasury Regulations**" means the income tax regulations promulgated under the Code, as amended from time to time.

"**Trigger Event**" means the occurrence of (a) a Distribution Failure with respect to two (2) consecutive Fiscal Quarters or with respect to any five (5) Fiscal Quarters whether or not consecutive, and whether or not any such Distribution Failure is continuing or has been cured; (b) a failure by the Company to timely redeem the applicable Class B Preferred Units in full and pay the full consideration to the Class B Preferred Members within ten (10) days of when required in accordance with this Agreement; (c) a material breach by Nuvve Parent, Nuvve or their applicable Affiliates under any of the Transaction Documents and such breach is incurable or is not cured within fifteen (15) days after the receipt of notice of such breach (or such longer period as may be specified under the applicable Transaction Document); (d) a failure by the Company or its Subsidiaries to obtain the consent of the Board and, if applicable, Special Approval, prior to taking or permitting any of the actions described in **Section 5.7**, **Section 5.8**, or as may be otherwise be required in this Agreement, and any such required approval, as applicable, is not granted, in the sole discretion of the Stonepeak Manager, the Class B Representative or such other Person, as

applicable, in writing within ten (10) days after receipt of notice of such breach; (e) the Company or any of its Subsidiaries ceasing to be an unrestricted, non-guarantor Subsidiary under the existing and future debt agreements of Nuvve Parent, its Affiliates or any Person other than the Company and its Subsidiaries, without the prior written consent of the Board acting with Special Approval; or (f) any of Nuvve Parent or its Affiliates that provide services to the Company, own Licensed IP Rights (as defined in the IP License Agreement), have a business relationship with the Company, employs any employee providing services to the Company that (x) holds the title of Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer (or such other similar titles) or (y) has an annual salary of at least one hundred thousand dollars ($100,000), or otherwise have a material relationship to the Business experiences a Bankruptcy Event.

"**Trust**" means, with respect to any individual, a partnership, limited liability company, corporation, trust, private foundation or custodianship, the beneficiaries of which may include only such individual or such individual's Permitted Beneficiaries.

"**Ultimate Employee**" has the meaning set forth in **Section 3.11(a).**

"**Unit**" means the ownership interest of a Member in the Company, and includes any and all benefits to which such Member is entitled as provided in this Agreement, together with all obligations of such Member to comply with the terms and provisions of this Agreement.

"**Unpaid Amounts**" means, as of the relevant time of determination with respect to a Class B Preferred Unit, the aggregate amount of all Preferred Distributions previously accrued in accordance with this Agreement but not paid in cash (including any Preferred PIK Distributions pursuant to **Section 4.2(c)** with respect to the Fiscal Quarter then ended or any preceding Fiscal Quarter) with respect to such Class B Preferred Unit as of such time, if any, solely to the extent such distributions have not subsequently been paid in cash. For the avoidance of doubt, with respect to any such Class B Preferred Unit that is redeemed in accordance with **Section 11.1**, such distributions previously accrued in accordance with this Agreement shall all be payable or included in such Class B Preferred Unit's Preferred Redemption Price, on the date of such redemption.

"**Unreturned Capital Proportional Share**" means, as of any relevant time of determination with respect to each Common Member, as applicable, the quotient equal to (a) the total amount of Unreturned Common Capital Contributions with respect to the Common Units held by such Common Member as of such time, *divided by* (b) the total amount of Unreturned Common Capital Contributions with respect to Common Units held by all Common Members as of such time.

"**Unreturned Common Capital Contributions**" means, as of the relevant time of determination with respect to a Common Unit, (a) the Capital Contributions made in respect of such Common Unit, *minus* (b) the Total Distributions previously made in respect of such Common Unit, in each case, as of such time.

"**Unvested Class D Incentive Unit**" means any Class D Incentive Unit that is not a Vested Class D Incentive Unit.

"**Vested Class D Incentive Unit**" means any Class D Incentive Unit that has become "vested" in accordance with the terms of the Award Agreement entered into in connection with the grant of such Class D Incentive Unit.

"**Voting Stock**" of any specified Person as of any date means the capital stock of such Person entitling the holders thereof (whether at all times or only so long as no senior class of capital stock has voting power by reason of any contingency) to vote in the election of members of the board of directors of such Person.

## ARTICLE II
## ORGANIZATIONAL MATTERS

**Section 2.1 Formation of the Company; Ratification**. The Company was formed as a limited liability company pursuant to the Delaware Act on July 15, 2021. As of the Execution Date, the Member (as defined in the Original LLC Agreement) authorized, empowered and ratified the Company entering into the Transaction Documents and the transactions contemplated thereby.

**Section 2.2 Limited Liability; Limited Liability Company Agreement**. The debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be the debts, obligations and liabilities solely of the Company and no Member, Manager or Independent Manager shall be obligated personally for any of such debts, obligations or liabilities solely by reason of being a Member, Manager or Independent Manager. The Members hereby execute this Agreement for the purpose of providing for the affairs of the Company and the conduct of its business in accordance with the provisions of the Delaware Act. The Members agree that during the term of the Company set forth in **Section 2.6**, the rights, powers and obligations of the Members with respect to the Company will be determined in accordance with the terms and conditions of this Agreement and the Delaware Act. This Agreement is the "limited liability company agreement" of the Company within the meaning of Section 18-101(7) of the Delaware Act. To the extent that this Agreement is inconsistent in any respect with the Delaware Act, this Agreement will control.

**Section 2.3 Name**. The name of the Company shall be "Levo Mobility LLC". The words "limited liability company," "LLC," "L.L.C." or similar words or letters shall be included in the Company's name where necessary for the purpose of complying with the laws of any jurisdiction that so requires. The Board, acting with Special Approval, may change the name of the Company at any time and from time to time in accordance with this Agreement and the Delaware Act.

**Section 2.4 Purpose**. Unless otherwise determined by the Board, acting with Special Approval, at any time, the purposes of the Company are to engage in the Business and any activities necessary or incidental thereto that are permitted by the Delaware Act.

**Section 2.5 Registered Office; Registered Agent; Principal Office**. Unless and until changed by the Board, the registered office of the Company in the State of Delaware shall be located at the initial registered address designated in the Certificate of Formation or such other office (which need not be a place of business of the Company) as the Board may designate from time to time in any manner provided by law. The registered agent for service of process on the Company in the State of Delaware at such registered office shall be the initial registered agent

designated in the Certificate of Formation or such other Person or Persons as the Board may designate from time to time in the manner provided by the Delaware Act. The principal office of the Company shall be located at such place as the Board may from time to time designate and provide written notice thereof to the Members. The Company may maintain offices at such other place or places within or outside the State of Delaware as the Board (a) determines to be necessary or appropriate and (b) identifies by written notice to the Members.

**Section 2.6 Term**. The Company commenced on the date the Certificate of Formation was filed with the Secretary of State of the State of Delaware and shall continue in existence until it is liquidated or dissolved in accordance with this Agreement and the Delaware Act. The existence of the Company as a separate legal entity shall continue until the cancellation of the Certificate of Formation as provided in the Delaware Act.

**Section 2.7 Restriction on Jurisdiction of Organization; Foreign Qualification**. The Company shall at all times be organized under the jurisdiction of the State of Delaware. Prior to conducting business in any jurisdiction other than the State of Delaware, the Board shall cause the Company to comply, to the extent procedures are available, with all requirements necessary to qualify the Company as a foreign limited liability company in such jurisdiction.

**Section 2.8 No State-Law Partnership**. The Members intend that the Company not be a partnership (including a limited partnership), and that no Member be a partner of any other Member by virtue of this Agreement, for any purposes other than as set forth in the last two sentences of this **Section 2.8**. Neither this Agreement nor any other document entered into by the Company or any Member relating to the subject matter of this Agreement, including the Transaction Documents, shall be deemed or construed to suggest otherwise. The Members intend that the Company shall be treated as a partnership for U.S. federal and, if applicable, state or local income tax purposes. Each Member and the Company shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment.

**Section 2.9 Title to the Assets**. Whether real, personal or mixed and whether tangible or intangible, title to the Company's assets shall be deemed to be owned by the Company as an entity. No Member, Manager or Officer, individually or collectively, shall have any ownership interest in such Company assets or any portion thereof.

## ARTICLE III
## UNITS; CAPITAL CONTRIBUTIONS; REPRESENTATIONS

**Section 3.1 Units and Capital Contributions**.

(a) The Units issued by the Company shall consist of Class A Common Units, Class B Preferred Units, Class C Common Units and Class D Incentive Units. As of the Execution Date, and subject to the terms and conditions of this Agreement, the Company is authorized to issue up to (i) an unlimited number of Class A Common Units at a price per Class A Common Unit equal to the Fair Market Value, (ii) 1,000,000 Class B Preferred Units at a price per Class B Preferred Unit equal to one thousand dollars ($1,000), (iii) an unlimited number of Class C Common Units at a price per Class C Common Unit equal to the Fair Market Value and (iv) 1,000,000 Class D Incentive Units. The Units shall be uncertificated and shall not be treated as "securities" within the meaning of Article 8 of the Uniform Commercial Code of Delaware.

Subject to the terms and conditions set forth in this Agreement, and as of the Execution Date, the Company has issued (x) 510,000 Class A Common Units to Nuvve, (y) 2,801 Class B Preferred Units (as may be adjusted as set forth on the Schedule of Members) and 490,000 Class C Common Units, in the aggregate, to Stonepeak and Evolve, and (z) no Class D Incentive Units in each case, as set forth on the Schedule of Members.

(b) Subject to any approvals required by this Agreement, the Board is hereby authorized to complete or amend the Schedule of Members to reflect the issuance of additional Units, the Transfer of Units and the admission of Substituted Members resulting therefrom, the admission of Additional Members, the resignation or withdrawal of a Member or a change or correction to any other information set forth on the Schedule of Members, in each case as provided in this Agreement. The Company shall make available to the Members copies of any amended or restated Schedule of Members from time to time. The Company shall also provide a copy of the Schedule of Members then in effect to any requesting Member promptly upon such Member's request. The ownership by a holder of Units shall entitle such holder to allocations of Profits and Losses and other items and Distributions of cash and other property as set forth in **Article IV** and **Article XI**. Each of the Members listed on the Schedule of Members as of the Execution Date is hereby admitted as a Member of the Company. All of the Units held by such Members as of the Execution Date, which collectively constitute all of the Units in the Company, as of the Execution Date, are hereby authorized and issued.

**Section 3.2 Capital Contributions**.

(a) As of the Execution Date, the Members agree that the amount of respective Capital Contributions of the Members are set forth on the Schedule of Members hereto and each Member holds the Units specified for such Member on the Schedule of Members attached hereto.

(b) Following the Execution Date, each Class B Preferred Member shall have the option, in its sole discretion, to make additional Capital Contributions in such amounts and at such times as may be requested by the Board acting with Special Approval. With respect to each such duly approved request, each Class B Preferred Member shall have the option, in its sole discretion, to make a Capital Contribution to the Company in cash up to an amount equal to (i) the aggregate amount of Capital Contributions with respect to such capital request, *multiplied by* (ii) such Class B Preferred Member's Commitment Ratio; provided, that, each Class B Preferred Member (other than Stonepeak) shall have the option, in its sole discretion, to increase such Class B Preferred Member's Capital Contribution with respect to each such duly approved request up to a maximum amount such that (x) such Class B Preferred Member's aggregate Capital Contributions previously made and then being made, *divided by* (y) the aggregate Capital Contributions previously made and then being made by all Class B Preferred Members, would be equal to such Class B Preferred Member's Commitment Ratio (and to the extent such option is exercised by any such Class B Preferred Member, each non-exercising Class B Preferred Member's maximum Capital Contribution amount shall be reduced *pro rata* in accordance with their relative Commitment Ratios). Unless otherwise specified by the Board acting with Special Approval, each Class B Preferred Member shall have fifteen (15) days from the issuance of a capital request pursuant to this **Section 3.2(b)** and corresponding written notice to such Class B Preferred Member to make such Class B Preferred Member's Capital Contribution. Upon receipt by the Company of each such additional Capital Contribution, each contributing Class B Preferred

Member shall be issued one (1) additional Class B Preferred Unit in exchange for each one thousand dollars ($1,000) contributed. In no event shall any Class B Preferred Member be required to make any Capital Contribution in excess of such Class B Preferred Member's Remaining Commitment Amount. If any Class B Preferred Member elects not to fund any portion of the amount validly called for by the Board pursuant to this **Section 3.2(b)** (a "**Non-Funding Member**"), then the Class B Representative shall have the right to direct the Company to allow each funding Class B Preferred Member to make additional Capital Contributions *pro rata* in accordance with the Commitment Amounts of such funding Class B Preferred Member relative to the aggregate Commitment Amounts of all funding Class B Preferred Members to cover the non-funded Capital Contribution of a Non-Funding Member and, to the extent any such amount is not assumed by any such other Class B Preferred Member, permit any of the Class B Preferred Members so contributing to assume any such unpaid amounts (in which case each Class B Preferred Member's Commitment Amount will be adjusted proportionately to account for such substituted Capital Contribution).

(c) Notwithstanding anything herein to the contrary, each Class B Preferred Member shall have the right (but not the obligation) to increase (the amount of such increase, together with the aggregate amount of all other such increases, if any, with respect to the aggregate Class B Preferred Members' Commitment Amount, collectively, the "**Aggregate Upsized Commitment Amount**") its aggregate Commitment Amount by an aggregate amount not to exceed such Class B Preferred Member's Commitment Ratio, *multiplied by* two hundred and fifty million dollars ($250,000,000) (for an aggregate Commitment Amount of all Class B Preferred Members up to one billion dollars ($1,000,000,000)), exercisable at any time, and from time to time, by such Class B Preferred Member in its sole discretion by written notice delivered to the Company; provided, that if upon the exercise of such right by such Class B Preferred Member, any other Class B Preferred Member does not exercise its *pro rata* right with respect to such Aggregate Upsized Commitment Amount, the exercising Class B Preferred Member shall have the right to assume such portion of the unexercised Aggregate Upsized Commitment Amount on a *pro rata* basis by increasing such Class B Preferred Member's Commitment Amount. For the avoidance of doubt, the Capital Contributions made by the Class B Preferred Members in respect of the Aggregate Upsized Commitment Amount shall be made in accordance with the provisions of this **Section 3.2**, including the issuance of additional Class B Preferred Units at a per Unit price equal to one thousand dollars ($1,000) in accordance with **Section 3.2(b)**. The Board shall amend the Schedule of Members attached hereto to reflect any Aggregate Upsized Commitment Amount of any Class B Preferred Member and the corresponding adjustment to such Class B Preferred Member's Remaining Commitment Amount and the Commitment Ratios of all of the Class B Preferred Members. If the Company has entered into contracts in accordance with this Agreement (including, for the avoidance of doubt, with Special Approval) with third parties to spend at least five hundred million dollars ($500,000,000) in aggregate of capital expenditures, the Class B Preferred Members shall submit for the consideration of their respective investment committees or general partners, as applicable, a proposal to exercise their respective option with respect to the Aggregate Upsized Commitment Amount, which proposal will include a good faith assessment of the potential incremental investment into the Company; provided, that notwithstanding anything in this Agreement to the contrary, the foregoing shall not be deemed to require the Class B Preferred Members to elect to increase their respective Capital Contributions in any amount.

(d) The proceeds received from the Capital Contributions made on the Execution Date and thereafter pursuant to **Section 3.2(b)** shall solely be used by the Company (i) as approved by the Board acting with Special Approval, to fund approved Qualified Opportunities and other development opportunities with respect to the Business, (ii) for the payment of certain fees and expenses payable by the Company to the Members as contemplated by **Section 12.3**, (iii) as set forth in the Initial Budget or the then-effective Annual Budget, or (iv) as otherwise approved by the Board acting with Special Approval.

(e) Notwithstanding the provisions of **Section 3.2(b)**, no Class B Preferred Member shall be obligated to make Capital Contributions after the expiration of the Commitment Period.

(f) In the event that any Class B Preferred Member (other than Stonepeak and its Affiliates (excluding Evolve)), becomes a Non-Funding Member pursuant to **Section 3.2(b)**, such Class B Preferred Member (other than Stonepeak and its Affiliates (excluding Evolve)) shall promptly (but in no event later than three (3) Business Days after becoming a Non-Funding Member) (i) Transfer to the Company a *pro rata* portion of its Common Units and (ii) Transfer to Nuvve each series of unvested Nuvve Parent Warrants held by it and its allocation of the PIPE Commitment under the Securities Purchase Agreement, in each case in proportion to the aggregate amount of such non-funded Capital Contribution relative to such Class B Preferred Member's (other than Stonepeak and its Affiliates (excluding Evolve)) Commitment Amount (collectively, the "**Non-Funded Interests**") and for no consideration, and each funding Class B Preferred Member may elect, at its sole discretion, to fund such non-funded Capital Contribution of Evolve in full in exchange for its *pro rata* portion of the corresponding Class B Preferred Units offered pursuant to **Section 3.2(b)** and the Non-Funded Interests, each of which shall be issued or Transferred, as applicable, by the Company or Nuvve, as applicable, to such funding Class B Preferred Member promptly upon such Class B Preferred Member's funding in full of its *pro rata* portion of such Non-Funding Member's non-funded Capital Contribution and for no additional consideration. The Company and each Member shall, and each Member shall cause its Affiliates to, cooperate and use reasonable efforts to effectuate the Transfer of the Non-Funded Interests pursuant to this **Section 3.2(f)** and to transfer any corresponding rights and obligations under the applicable Initial Signing Documents.

(g) Notwithstanding anything herein to the contrary, the mere approval or consent by a Class B Preferred Member, the Class B Representative or the Board of any contractual obligation (including any acquisition or other transaction) shall not be deemed an implicit consent by such Person to a further capital call or an increase in the aggregate Commitment Amount pursuant to **Section 3.2(c)** or otherwise, unless such approval or consent expressly references that it is a consent of the Board acting with Special Approval, with respect to a capital call or an increase in the aggregate Commitment Amount in accordance with this **Section 3.2**.

**Section 3.3 Preemptive Rights**.

(a) Subject to **Section 5.7(iii)** and except as provided in **Section 3.3(f)**, if the Company or any of its Subsidiaries offers to issue any Securities to any Person (each, a "**Buyer**"), the Company shall, or shall cause its Subsidiary to (as applicable): (i) give each Common Member (each a "**Preemptive Rights Holder**") at least ten (10) Business Days' written notice of the

proposed issuance, setting forth in reasonable detail the proposed terms and conditions of the proposed issuance and such Preemptive Rights Holder's Proportional Share of such proposed issuance (the "**Preemptive Rights Notice**"); and (ii) offer to sell to each Preemptive Rights Holder a portion of such Securities equal to such Preemptive Rights Holder's Proportional Share thereof; provided, that notwithstanding anything to the contrary, if such Securities are Class A Common Units, the Securities to be acquired by any such Preemptive Rights Holder exercising its preemptive rights hereunder shall be Common Units of the same class of Common Units held by such Preemptive Rights Holder at such time (for the avoidance of doubt, holders of Class A Common Units would acquire additional Class A Common Units and holders of Class C Common Units would acquire additional Class C Common Units). The purchase price for all Securities offered to Preemptive Rights Holders under this **Section 3.3** shall be payable in cash.

(b) In order to exercise its preemptive rights hereunder, within ten (10) Business Days after the receipt of the Preemptive Rights Notice, a Preemptive Rights Holder must deliver a written notice to the Company describing such Preemptive Rights Holder's election to purchase its Proportional Share of the Securities offered thereby (or such portion thereof as the Preemptive Rights Holder may elect to purchase). Upon such an election, the Company (or its Subsidiary, as the case may be) shall sell to such Preemptive Rights Holder the Securities such Preemptive Rights Holder elected to purchase at the same price and on the same terms as such Securities were offered to any Buyer. To the extent that any Preemptive Rights Holder does not notify the Company that it intends to exercises its right to participate in any issuance of Securities subject to this **Section 3.3** within ten (10) Business Days after receipt of the Preemptive Rights Notice, such Preemptive Rights Holder shall be deemed to have waived the rights set forth in this **Section 3.3** in respect of such issuance.

(c) Notwithstanding the foregoing, if any Preemptive Rights Holder does not exercise its rights pursuant to this **Section 3.3** in full (such Preemptive Rights Holder, a "**Non-Fully Exercising Preemptive Rights Holder**" and the portion of such Non-Fully Exercising Preemptive Rights Holder's Proportional Share of the Securities for which such right was not exercised, the "**Available Securities**"), each Preemptive Rights Holder that has exercised its rights under this **Section 3.3** in full (each such Preemptive Rights Holder, a "**Fully Exercising Preemptive Rights Holder**") shall also have the right to purchase its Proportional Share of the Available Securities on the same terms and conditions as offered to any Buyer. Promptly, and in any event within five (5) Business Days after it has been determined that there are any Available Securities, the Company shall give written notice to the Fully Exercising Preemptive Rights Holders setting forth the number of Available Securities and such Fully Exercising Preemptive Rights Holder's Proportional Share of such Available Securities. Any Fully Exercising Preemptive Rights Holder must exercise its rights with respect to any Available Securities by delivering written notice to the Company within five (5) Business Days after receipt of such notice.

(d) Once the final determination of Available Securities has been determined with respect to a Fully Exercising Preemptive Rights Holder, such Fully Exercising Preemptive Rights Holder shall have ten (10) Business Days to fund the purchase of the same.

(e) Subject to **Section 3.3(g)**, upon the expiration of the offering periods described above, the Company shall be entitled to sell such Securities which such Preemptive Rights Holders have not elected to purchase during the ninety (90) days following such expiration

at a price not less than and on other terms and conditions no more favorable to the Buyer(s) thereof than those offered to such Preemptive Rights Holders. In the event any regulatory approval is required for any such sale, including the expiration of any regulatory waiting period, as contemplated in **Section 3.3(g)**, such ninety (90) day period shall be automatically extended for additional thirty (30) day periods until such approval has been obtained or waiting period expired. Any Securities offered or sold by the Company after such ninety (90) day period (as it may be extended pursuant to the foregoing sentence) must be reoffered in accordance with the terms of this **Section 3.3**.

(f) The obligations set forth in this **Section 3.3** shall not apply to the following issuances of Equity Securities by the Company or any of its Subsidiaries: (i) the Class A Common Units and Class C Common Units issued as of the Execution Date; (ii) the Class B Preferred Units issued as of the Execution Date or pursuant to **Section 3.2**; (iii) Equity Securities of the Company or any of its Subsidiaries in connection with the redemption in full or liquidation of all of the Class B Preferred Units; (iv) obligations, evidences of Indebtedness or other securities or interests convertible or exchangeable into Units or other equity interests in the Company or its Subsidiaries, including the issuance of any warrants in connection with any Indebtedness; (v) Equity Securities offered (A) pursuant to an IPO or (B) as consideration pursuant to an acquisition, merger, consolidation or other business combination, in each case, as has been approved in accordance with the terms of this Agreement; or (vi) the issuance of Class D Incentive Units pursuant to this Agreement and an Award Agreement.

(g) If any regulatory approval, including the filing and the expiration of any waiting period under HSR Act, is required prior to the issuance of any Equity Securities (assuming the exercise of the rights of the Preemptive Rights Holders under this **Section 3.3**), the Company shall not issue such Equity Securities until such approval has been obtained (or in the case of the HSR Act, such filing has been completed and such waiting period has expired). The Company and the Members shall use their commercially reasonable efforts to comply promptly with all applicable regulatory requirements in connection with the issuance of Equity Securities by the Company and the purchase thereof by any Preemptive Rights Holder exercising such Preemptive Rights Holder's rights pursuant to this **Section 3.3**.

**Section 3.4 Capital Accounts**.

(a) The Company shall maintain a separate Capital Account for each Member according to the rules of Treasury Regulations Section 1.704-l(b)(2)(iv). For this purpose, upon the occurrence of the events specified in Treasury Regulations Section 1.704-l(b)(2)(iv)(f) (including a transaction to redeem any Class B Preferred Unit pursuant to this Agreement), the Book Value of each asset of the Company immediately prior to the occurrence of such event shall be adjusted upward or downward to reflect any unrealized gain or unrealized loss attributable to such asset. Any such unrealized gain or unrealized loss shall be treated, for purposes of maintaining Capital Accounts, as if it had been recognized on an actual sale of each such property for an amount equal to its Fair Market Value immediately prior to such event and had been allocated to the Members at such time pursuant to **Section 4.5**. With unanimous prior approval of the Board (excluding any Independent Manager), the Company may determine that no adjustments shall be made pursuant to this **Section 3.4(a)**.

(b) For purposes of computing the Profits or Losses of the Company for any period, and any item of the Company's income, gain, loss or deduction to be allocated pursuant to **Article IV** and to be reflected in the Capital Accounts, the determination, recognition and classification of any such item shall be the same as its determination, recognition and classification for federal income tax purposes (including any method of depreciation, cost recovery or amortization used for this purpose); *provided*, that:

(i) the computation of all items of income, gain, loss and deduction shall include those items described in Code Section 705(a)(1)(B) or Code Section 705(a)(2)(B) and Treasury Regulations Section 1.704-l(b)(2)(iv)(i), without regard to the fact that such items are not includable in gross income or are not deductible for federal income tax purposes;

(ii) if the Book Value of any the Company's property is adjusted pursuant to Treasury Regulations Section 1.704-l(b)(2)(iv)(f), the amount of such adjustment shall be taken into account as gain or loss from the disposition of such property;

(iii) items of income, gain, loss or deduction attributable to the disposition of the Company's property having a Book Value that differs from its adjusted basis for tax purposes shall be computed by reference to the Book Value of such property;

(iv) items of depreciation, amortization and other cost recovery deductions with respect to the Company's property having a Book Value that differs from its adjusted basis for tax purposes shall be computed by reference to the property's Book Value in accordance with Treasury Regulations Section 1.704-l(b)(2)(iv)(g);

(v) to the extent an adjustment to the adjusted tax basis of any asset of the Company pursuant to Code Sections 732(d), 734(b) or 743(b) is required, pursuant to Treasury Regulations Section 1.704-l(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis); and

(vi) any items of income, gain, loss, or deduction which are specially allocated pursuant to **Section 4.6** shall not be taken into account in computing Profits and Losses.

**Section 3.5 Negative Capital Accounts**. No Member shall be required to pay to any other Member or the Company any deficit or negative balance which may exist from time to time in such Member's Capital Account (including upon and after dissolution, termination, or cancellation of the Company).

**Section 3.6 No Withdrawal**. No Member shall be entitled to withdraw any part of such Member's Capital Contributions or Capital Account balance or to receive any Distribution from the Company, except as expressly provided herein.

**Section 3.7 Transfer of Capital Accounts**. The original Capital Account established for each Substituted Member shall be in the same amount as the Capital Account (or portion thereof) of the Member attributable to the Units of such Member to which such Substituted Member succeeds, at the time such Substituted Member is admitted as a Member of the Company.

The Capital Account of any Member whose interest in the Company shall be increased or decreased by means of the Transfer to it of all or part of the Units of another Member or the repurchase of Units shall be appropriately adjusted to reflect such Transfer or repurchase. Any reference in this Agreement to a Capital Contribution of or Distribution to a Member that has succeeded any other Member shall include any Capital Contributions or Distributions previously made by or to the former Member on account of the Units of such former Member Transferred to such Member.

**Section 3.8 Additional Members**. A Person may be admitted to the Company as an Additional Member only upon furnishing to the Company (a) a letter of acceptance, in form satisfactory to the Board, of all the terms and conditions of this Agreement, and (b) such other documents or instruments as may be deemed necessary or appropriate by the Board to effect such Person's admission as a Member. Such admission shall become effective on the date on which the Board determines that such conditions have been satisfied, upon any approval by the Members required hereby and when any such admission is shown on the books and records of the Company.

**Section 3.9 Substituted Members**.

(a) Unless a Transferee becomes a Substituted Member in accordance with Section 3.9(b), such Transferee shall not be entitled to any of the rights granted to a Member hereunder, other than the right to receive allocations of income, gain, loss, deduction, credit and similar items and distributions attributable to the Transferred Units to which the Transferring Member would otherwise be entitled, to the extent such items are Transferred.

(b) A Transferee of any Units of any Member or assignee or transferee of all or any portion of any Member's Remaining Commitment Amount in accordance with **Article IX** shall become a Substituted Member entitled to all the rights of a Member (relating to the Transferred Units or the right to acquire Units), respectively, if, and only if, the Transfer or assignment has been made in accordance with this Agreement. Notwithstanding anything to the contrary, in connection with any Transfer of any Class B Preferred Units by a Class B Preferred Member in accordance with the terms of this Agreement, such Class B Preferred Member may Transfer or assign any or all of its rights hereunder.

**Section 3.10 Representations and Warranties.**

(a) Each Member hereby severally (solely with respect to itself) and not jointly represents and warrants to the Company and each other Member that the following statements are true and correct as of the date such Person is first admitted as a Member and shall be true and correct at all times that such Member is a Member:

(i) if such Member is a corporation, limited liability company, partnership or other entity, such Member is duly incorporated, organized or formed (as applicable), validly existing, and (if applicable) in good standing under the laws of the jurisdiction of its incorporation, organization or formation; and such Member has full corporate, limited liability company, partnership or other applicable power and authority to execute and deliver this Agreement and the Transaction Documents, as applicable, and to perform its obligations hereunder, and all necessary actions by its board of directors, stockholders, managers, members,

partners, trustees, beneficiaries or other applicable Persons necessary for the due authorization, execution, delivery, and performance of this Agreement and the Transaction Documents, as applicable, by such Member have been duly taken;

(ii) such Member has duly executed and delivered this Agreement and the other documents contemplated herein, including the Transaction Documents, as applicable, and, assuming due execution by the other parties hereto and thereto, such documents constitute the legal, valid and binding obligation of such Member enforceable against such Member in accordance with the terms of each such document (except as may be limited by bankruptcy, insolvency or similar laws of general application and by the effect of general principles of equity, regardless of whether considered at law or in equity);

(iii) such Member's authorization, execution, delivery and performance of this Agreement does not and shall not (A) conflict with, or result in a breach, default or violation of, (x) the organizational documents of such Member, (y) any material contract, obligation or agreement to which such Member is a party or is otherwise subject or (z) any law, order, judgment, decree, writ, injunction or arbitral award to which such Member is subject; or (B) other than Nasdaq Stockholder Approval (as defined in the Letter Agreement), require any consent, approval or authorization from, filing or registration with, or notice to, any governmental authority or other Person, unless such requirement has already been satisfied;

(iv) the Units to be acquired by such Member pursuant to this Agreement will be acquired for investment for such Member's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof in violation of applicable securities laws;

(v) such Member is an experienced investor in securities and acknowledges that it can bear the economic risk of its investment in the Units acquired pursuant to this Agreement and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Units;

(vi) such Member is an Accredited Investor;

(vii) such Member has had an opportunity to discuss the Company's and its Subsidiaries' businesses, management, financial affairs and the terms and conditions of the offering of Units with the Company's management;

(viii) such Member understands that the Units issued hereunder have not been, and will not be, registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act that depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of such Member's representations as expressed herein; such Member further understands that the Units acquired by it hereunder are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, such Member must hold the Units acquired by it hereunder indefinitely unless such Units are registered with the Commission and qualified by state authorities or an exemption from such registration and qualification requirements is available; in particular, such Member is aware that the Units may not be sold pursuant to Rule 144 promulgated under the Securities Act unless

all of the conditions of Rule 144 are met (and, among the conditions for use of Rule 144 may be availability of current information to the public about the Company, and such information is not now available and the Company has no plans to make such information available); and

(ix) such Member understands that no public market now exists for the Units or any other securities issued by the Company, and that the Company has made no assurances that a public market will ever exist for the Units or any other securities issued by the Company.

(b) Nuvve represents and warrants to the Company and each other Member that as of the Execution Date (i) the Company has no assets or liabilities and (ii) the Company is a special purpose, non-guarantor, unrestricted Subsidiary of Nuvve Parent.

**Section 3.11 Incentive Units**.

(a) The Class D Incentive Units are intended to provide incentives to certain key employees and service providers of the Company, the Common Members and their respective Affiliates (as the case may be, the "**Employer**") who are employed by or providing services to the Company, whether pursuant to the DSA or other similar arrangement or directly (such individual, the "**Ultimate Employee**"). The Board acting with Special Approval shall have the authority to issue, on behalf of the Company, Class D Incentive Units in accordance with this **Section 3.11** and with **Section 5.7(xxiv)**.. In addition, so long as any Class B Preferred Units remain outstanding, the Class B Representative (or, if no Class B Preferred Units remain outstanding, the non-conflicted Member(s) holding a majority of the Common Units held by all non-conflicted Member(s)) shall be entitled to cause the Company to award unissued Class D Incentive Units to any replacement for a Dedicated Employee (as defined in the DSA) in connection with and subject to the employment of such replacement by Nuvve without the requirement of the approval by the Board or any other Person. The number of authorized Class D Incentive Units may be increased by the Company with approval of the Board acting with Special Approval. All Class D Incentive Units issued by the Company shall be issued subject to the terms of this Agreement and the Ultimate Employee's individual Award Agreement and shall have the rights, preferences, limitations, obligations and liabilities provided herein and therein. If (i) any letter agreement or any Employment Agreement conflicts in any way with the terms of this Agreement or the applicable Award Agreement, the terms of this Agreement, and the applicable Award Agreement will govern, and (ii) the applicable Award Agreement conflicts with this Agreement, this Agreement will govern. Any Class D Incentive Units authorized but not yet issued and any Class D Incentive Units issued and subsequently reacquired by the Company (by forfeiture or repurchase) shall remain available for future issuances in accordance with the terms of this Agreement. The Company shall maintain in its books and records a true and complete list of the Class D Incentive Unit Members, the number of Class D Incentive Units of each series held by such Class D Incentive Unit Member, the Award Date thereof and the Threshold Value applicable to such Class D Incentive Units. For confidentiality purposes, such list shall not be furnished to any Class D Incentive Unit Member or any other Person without the prior approval of the Board acting with Special Approval. Class D Incentive Units may be Vested Class D Incentive Units or Unvested Class D Incentive Units and shall have no voting rights or other rights to consent or approve any action or matter, except as expressly set forth in **Section 12.4**.

(b) Any authorized but unissued Class D Incentive Units may be issued, and the Persons to whom such unissued Class D Incentive Units are issued may be admitted as additional Class D Incentive Unit Members, only after each such additional Class D Incentive Unit Member executes (or in the case of clause (iii) below, causes such Class D Incentive Unit Member's spouse, if applicable, to execute) and delivers (i) a joinder or counterpart to this Agreement in form and substance reasonably acceptable to the Board pursuant to which such Transferee shall agree to be bound by the provisions of this Agreement, (ii) an Award Agreement, (iii) a spousal agreement in the form of **Exhibit D** if required pursuant to **Section 3.12(a)** and (iv) any other agreements and instruments as determined by the Board acting with Special Approval, in each case, in form and substance as the Board acting with Special Approval may deem necessary or desirable to effect such admission.

(c) The Class D Incentive Units are intended to constitute "profits interests" within the meaning of Revenue Procedures 93-27 and 2001-43, unless the Board acting with Special Approval determines otherwise with respect to particular Class D Incentive Unit (such Unit, a "**Profits Interest**"), and this Agreement shall be interpreted accordingly. Additionally, in accordance with Revenue Procedure 2001-43, 2001-2 C.B. 191, the Company shall treat a Member holding a Class D Incentive Unit (or subsequently issued Class D Incentive Unit intended to be treated as a Profits Interest) as the owner of such Profits Interest from the date it is granted. The Company shall file the Company's IRS Form 1065, and issue appropriate Schedule K-1s to such Member, allocating to such Member such Member's distributive share of all items of income, gain, loss, deduction and credit associated with such Profits Interest as if such Class D Incentive Unit were fully vested. Each holder of Class D Incentive Units (i) consents to receive any Schedule K-1s from the Company electronically via electronic mail, the internet or another electronic reporting medium in lieu of paper copies, and (ii) agrees to confirm this consent electronically at a future date in a manner set forth by the Board at such time. Each Class D Incentive Unit Member holding Class D Incentive Units intended to constitute Profits Interests shall take into account such distributive share in computing such Class D Incentive Unit Member's federal income tax liability for the entire period during which such Class D Incentive Unit Member holds the Profits Interest. The undertakings contained in this **Section 3.11(c)** shall be construed in accordance with Section 4 of Rev. Proc. 2001-43. In the event that the recipient of a Class D Incentive Unit fails to make a timely election under Section 83(b) of the Code with respect to such Class D Incentive Units, such recipient shall nonetheless be treated by the Company as the owner of such Class D Incentive Units for federal income tax purposes in accordance with Internal Revenue Service Revenue Procedure 2001-43 (or the corresponding requirements of any subsequent guidance promulgated by the Internal Revenue Service or other applicable law).

(d) It is intended that the Class D Incentive Units will constitute Profits Interests (unless the Board acting with Special Approval determines otherwise) and therefore will have an initial Capital Account of zero dollars ($0.00). The Board acting with Special Approval shall designate a "**Threshold Value**" applicable to each Class D Incentive Unit to the extent necessary to cause such Class D Incentive Unit to constitute a Profits Interests, but such Threshold Value shall not be less than zero ($0.00) in any event. The Threshold Value for each Class D Incentive Unit issued shall equal the amount that would, in the reasonable determination of the Board acting with Special Approval, be distributed with respect to all Units outstanding prior to the issuance of such Class D Incentive Unit if, immediately prior to the issuance of such Class D Incentive Unit, all then-outstanding Unvested Class D Incentive Units became Vested Class D Incentive Units,

the assets of the Company were sold at their Fair Market Values, the Company liabilities were repaid in full and the net proceeds (plus, for this purpose, an amount equal to any Tax Distributions previously made under **Section 4.1** that have not resulted in a reduction in distributions payable under **Section 4.1** in accordance with the penultimate sentence of **Section 4.1**) were distributed in liquidation of the Company pursuant to **Section 10.2**. The Threshold Value for a Class D Incentive Unit may be subsequently adjusted, as reasonably determined by the Board, to take into account subsequent Capital Contributions or amounts paid in redemption or purchase of all or a portion of any Units or otherwise to ensure that the Class D Incentive Units constitute Profits Interests. Any reissued Class D Incentive Units may have a Threshold Value that is different from the Threshold Value of the Class D Incentive Units so repurchased or forfeited.

(e) This Agreement, together with the documents, instruments or agreements pursuant to which Class D Incentive Units are issued, is intended to qualify as a "compensatory benefit plan" within the meaning of Rule 701 of the Securities Act (and any similarly applicable state "blue sky" securities laws) and the issuance of Class D Incentive Units pursuant to Rule 701 of the Securities Act (and any similarly applicable state "blue sky" securities laws) is intended to qualify for the exemption from registration under the Securities Act provided by Rule 701 (and any similarly applicable state "blue sky" securities laws). The foregoing shall not restrict or limit the Company's ability to issue any Class D Incentive Units pursuant to any other exemption from registration under the Securities Act available to the Company.

**Section 3.12 Spouses.**

(a) As a condition to becoming or remaining a Member, each Member that is an individual and is or becomes married, shall cause his or her spouse to promptly execute an agreement in the form of **Exhibit D**.

(b) Any Units held by an individual who has failed to cause his or her spouse to execute an agreement in the form of **Exhibit D** and any Units held by a Person who is an assignee shall be subject to the right of the Company to acquire all of such Person's Common Units or Class D Incentive Units for the Fair Market Value of such Units. For purposes of the preceding sentence, Fair Market Value shall be, determined as of the date the Company elects to acquire such Units, and all of such Person's Class D Incentive Units shall be purchased for the Fair Market Value of the Class D Incentive Units that are Vested Class D Incentive Units as of such time, determined as of the date the Company elects to acquire such Class D Incentive Units.

(c) In the event of a property settlement or separation agreement between a Member that is an individual and his or her spouse, such Member shall use his or her best efforts to assign to his or her spouse only the right to share in profits and losses, to receive Distributions, and to receive allocations of income, gain, loss, deduction or credit or similar item to which the Member was entitled, to the extent assigned.

(d) If a spouse or former spouse of a Member that is an individual acquires a Unit in the Company without prior approval of the Board acting with Special Approval, such spouse or former spouse grants, as evidenced by **Exhibit D**, an irrevocable power of attorney (which shall be coupled with an interest) to the original Member who held such Units. Such irrevocable power of attorney shall give the original Member the right to vote or to give or withhold

such approval as such original Member shall himself or herself vote or approve with respect to such matter and without the necessity of the taking of any action by any such spouse or former spouse. The foregoing power of attorney shall not be affected by the subsequent disability or incapacity of the spouse or former spouse granting such power of attorney. Such spouse or former spouse agrees that the Company shall have the right at any time to purchase all of the Common Units and Class D Incentive Units, if any, acquired by such spouse or former spouse at the Fair Market Value of such Units, determined as of the date the Company elects to purchase such Units, and all of the Class D Incentive Units, if any, acquired by such spouse or former spouse at the Fair Market Value of such Class D Incentive Units that are Vested Class D Incentive Units as of such time, determined as of the date the Company elects to purchase such Class D Incentive Units.

(e) This **Section 3.12** shall apply *mutatis mutandis* to each Member, Transferee or any of their respective Affiliates that is Controlled by (or for the benefit of) any current or former employee of the Company, a Common Member or their respective Affiliates, which employee is married or becomes married, and such employee's spouse.

## ARTICLE IV
## DISTRIBUTIONS AND ALLOCATIONS

**Section 4.1 Tax Distributions**. Subject to the availability of Available Cash, prior to making any distributions pursuant to **Section 4.2**, without the need for any action by the Board (other than with respect to determining certain amounts as provided herein) or any Member, with respect to each Fiscal Quarter prior to a Fundamental Change, the Company shall make distributions of Available Cash in respect of income tax liabilities of each Member in accordance with the following priority: (a) *first*, *pro rata* to the Class B Preferred Members in accordance with each Class B Preferred Member's Tax Amount and (b) *second*, *pro rata* to the Common Members and holders of Class D Incentive Units in accordance with such Member's Tax Amount, as applicable (such distributions pursuant to clauses (a) and (b), "**Tax Distributions**"), in each case, at least five (5) days prior to each Payment Date. For the avoidance of doubt, if there is an adjustment that results in an increase in the Company's taxable income or gain allocated to a Member attributable to its Units in a prior taxable period, subject to the availability of Available Cash, without the need for any action by the Board (other than with respect to determining certain amounts as provided herein) or any Member, the Company shall distribute to each Member an amount equal to the increase in the aggregate Tax Amount attributable to the Units, as applicable, held by such holder in accordance with the priority set forth in the preceding sentence. In addition, from and during the occurrence of a Trigger Event pursuant to clause (a) or (b) set forth in the definition of "Trigger Event", the Company shall not make Tax Distributions to Nuvve and its Affiliates until such time as the applicable Trigger Event is cured. Tax Distributions with respect to the Common Units and Class D Incentive Units shall be treated as advances of any amounts any holder of Common Units or Class D Incentive Units is entitled to receive pursuant to **Section 4.2(a)** and shall be offset against any such amounts. For the avoidance of doubt, Tax Distributions shall not be treated as advances of any amounts any holder of Class B Preferred Units is entitled to receive pursuant to this Agreement and shall not be offset against any such amounts (including with respect to the Liquidation Preference or Base Preferred Return Amount).

**Section 4.2 Distributions**.

(a) Subject to **Section 4.1** and **Section 4.4**, without the need for any action by the Board or any Member, on each Payment Date, the Company shall automatically make Distributions of all Available Cash, if any, with respect to the Fiscal Quarter then ended, beginning with respect to the Fiscal Quarter ended September 30, 2021, as follows:

(i) *first*, *pro rata* to the Class B Preferred Members in accordance with each Class B Preferred Member's Class B Preferred Proportional Share with respect to such Fiscal Quarter, until the Class B Preferred Members receive an amount in cash with respect to each Class B Preferred Unit equal to the Preferred Distribution with respect to such Fiscal Quarter;

(ii) *second*, *pro rata* to the Class B Preferred Members in accordance with each Class B Preferred Member's Class B Preferred Proportional Share, until the Class B Preferred Members receive an amount in cash with respect to each Class B Preferred Unit equal to any outstanding Unpaid Amount with respect to such Class B Preferred Unit;

(iii) *third*, so long as any Class B Preferred Units are issued and outstanding and until the Class B Preferred Members receive an amount with respect to each Class B Preferred Unit such that the Liquidation Preference with respect to such Class B Preferred Unit is equal to one dollar ($1.00) per Class B Preferred Unit, if the Preferred to Value Ratio is:

(A) greater than or equal to 0.75, (1) ninety percent (90%) *pro rata* to the Class B Preferred Members in accordance with each Class B Preferred Member's Class B Preferred Proportional Share with respect to each Class B Preferred Unit, which shall reduce the Liquidation Preference with respect to each such Class B Preferred Unit on a dollar-for-dollar basis, and (2) ten percent (10%) *pro rata* to the Common Members with respect to each Common Unit in accordance with each Common Member's Proportional Share;

(B) less than 0.75 and greater than or equal to 0.60, (1) seventy-five percent (75%) *pro rata* to the Class B Preferred Members in accordance with each Class B Preferred Member's Class B Preferred Proportional Share with respect to each Class B Preferred Unit, which shall reduce the Liquidation Preference with respect to each such Class B Preferred Unit on a dollar-for-dollar basis, and (2) twenty-five percent (25%) *pro rata* to the Common Members with respect to each Common Unit in accordance with each Common Member's Proportional Share;

(C) less than 0.60, (1) fifty percent (50%) *pro rata* to the Class B Preferred Members in accordance with each Class B Preferred Member's Class B Preferred Proportional Share with respect to each Class B Preferred Unit, which shall reduce the Liquidation Preference with respect to each such Class B Preferred Unit on a dollar-for-dollar basis, and (2) fifty percent (50%) *pro rata* to the Common Members with respect to each Common Unit in accordance with each Common Member's Proportional Share; and

(iv) *thereafter*, *pro rata* to the Common Members with respect to each Common Unit in accordance with each Common Member's Proportional Share.

(b) Preferred Distributions will be cumulative and will accrue on a daily basis (assuming a three hundred and sixty (360) day year divided into ninety (90) day quarters) at the applicable Preferred Distribution Rate from the date of issuance of each Class B Preferred Unit,

whether or not declared, until such Class B Preferred Unit is fully redeemed, prorated for partial Fiscal Quarters during such period of accrual. Except as provided in **Section 4.2(c)**, all Preferred Distributions will be payable in cash. For avoidance of doubt, with respect to each Class B Preferred Unit, the Liquidation Preference shall be compounded on a quarterly basis and shall accrue on a quarterly basis from and after the date on which the Capital Contribution is made in respect of such Class B Preferred Unit.

(c) With respect to Preferred Distributions to be made with respect to the Preferred PIK Period, upon written notice to each holder of Class B Preferred Units at least five (5) Business Days prior to the applicable Payment Date, for each such Preferred Distribution the Company may, at the sole discretion of the Board and provided that no Trigger Event has occurred or is occurring, with respect to each such Preferred Distribution, elect not to pay such Preferred Distribution in cash, and instead to accrue all of such Preferred Distribution to the Liquidation Preference, *pro rata*, for all issued and outstanding Class B Preferred Units (each, a "**Preferred PIK Distribution**"). Following the Preferred PIK Period, each Class B Preferred Member may, from time to time, in its sole discretion, elect to require the Company not to pay such Preferred Distribution in cash, and instead make Preferred PIK Distributions with respect to such Class B Preferred Member's Class B Preferred Units.

(d) For the avoidance of doubt, the first Preferred Distribution to be paid by the Company following the Execution Date will be with respect to the Fiscal Quarter ended September 30, 2021, and shall, for the avoidance of doubt, include the period beginning on the Execution Date through September 30, 2021, such period to be calculated pro rata for the number of days with respect to such Fiscal Quarter after the Execution Date.

(e) If any Class D Incentive Units held by any holder of Class D Incentive Units are forfeited, such holder shall be allocated items of loss and deduction in the period of such forfeiture in the manner and to the extent required by proposed Treasury Regulations Section 1.704-1(b)(4)(xii) (as such proposed Treasury Regulations may be amended or modified, including upon the issuance of temporary or final Treasury Regulations).

**Section 4.3 Distributions upon a Fundamental Change**. Subject to **Section 4.4**, in the event of a Fundamental Change (to the extent Stonepeak elects to exercise its redemption rights pursuant to **Section 11.1(a)**) or a Monetization Event, the Company shall distribute the aggregate consideration from such redemption with respect to such Fundamental Change or Monetization Event in the following order of priority:

(a) *first*, *pro rata* to the Class B Preferred Members in accordance with each Class B Preferred Member's Class B Preferred Proportional Share, until the Class B Preferred Members receive an amount with respect to each Class B Preferred Unit such that the Liquidation Preference with respect to such Class B Preferred Unit is equal to one dollar ($1.00) per Class B Preferred Unit;

(b) *second*, *pro rata* to the Common Members in accordance with each Common Member's Unreturned Capital Proportional Share, until the Common Members receive an amount with respect to each Common Unit such that the Unreturned Common Capital Contributions with respect to each Common Unit has been reduced to zero dollars ($0);

(c) *third*, *pro rata* to the Class B Preferred Members in accordance with each Class B Preferred Member's Class B Preferred Proportional Share, until the Class B Preferred Members receive an amount in cash (including amounts received pursuant to **Section 4.3(a)**) equal to the Preferred Redemption Price as of the date of such Fundamental Change or Monetization Event with respect to each Class B Preferred Unit; and

(d) *thereafter*, *pro rata* to the Common Members with respect to each Common Unit in accordance with each Common Member's Proportional Share.

**Section 4.4 Distributions to Class D Incentive Unit Members.**

(a) Notwithstanding anything to the contrary in **Section 4.2** and **Section 4.3**, from and after such time as (x) the First Management Threshold Target is achieved and (y) the Unreturned Common Capital Contributions with respect to each Common Unit has been reduced to zero dollars ($0), a portion of any subsequent Distributions to the Members pursuant to **Section 4.2** or **Section 4.3** (such subsequent distributions, "**D-Eligible Distributions**") shall be distributed to the Class D Incentive Unit Members *pro rata* (in proportion to the number of outstanding Class D Incentive Units held by them relative to the total number of authorized Class D Incentive Units) in the following amounts and priority:

(i) *first*, ten percent (10%) of such D-Eligible Distribution until the Base Preferred Return Amount is achieved;

(ii) *second*, fifteen percent (15%) of such D-Eligible Distribution until the Second Management Threshold Target is achieved;

(iii) *third*, twenty percent (20%) of such D-Eligible Distribution until the Third Management Threshold Target is achieved; and

(iv) *thereafter*, twenty-five percent (25%) of such D-Eligible Distribution.

For the avoidance of doubt, any portion of the D-Eligible Distributions that is not distributed to the Class D Incentive Unit Members pursuant to this **Section 4.4(a)** (including if there exists any authorized but unissued Class D Incentive Units) shall be distributed to the other Members pursuant to the terms of the distribution waterfall set forth in **Section 4.2** or **Section 4.3**, as applicable, unless otherwise determined by the Board acting with Special Approval.

(b) Notwithstanding anything to the contrary in **Section 4.4(a)**, no amount shall be distributed with respect to any Class D Incentive Unit (other than any Distribution pursuant to **Section 4.1**) unless and until the amount distributed pursuant to **Section 4.2** or **Section 4.3**, as applicable (without regard to this **Section 4.4(b)**) exceeds the Threshold Value of such Class D Incentive Unit (determined immediately prior to such Distribution), and, until such time, the D-Eligible Distributions under **Section 4.4(a)**, shall not take into account such Class D Incentive Unit (and such amount that would have been distributed to such Class D Incentive Unit will be distributed to the Common Units and the Class B Preferred Units pursuant to **Section 4.2(a)** or **Section 4.3**, as applicable, as if such Class D Incentive Unit was not outstanding).

(c) Notwithstanding the foregoing provisions of this **Article IV**, all amounts otherwise distributable pursuant to this Agreement (other than Tax Distributions under **Section 4.1**) with respect to each Unvested Class D Incentive Unit shall be retained by the Company (collectively, the "**Retained Distributions**"). The Company shall (i) distribute the Retained Distributions with respect to each Unvested Class D Incentive Unit when such Unvested Class D Incentive Unit becomes a Vested Class D Incentive Unit, to the holder of such Vested Class D Incentive Unit and (ii) distribute the Retained Distributions with respect to each Unvested Class D Incentive Unit that has been forfeited, to the holders of outstanding Class B Preferred Units or Common Units, as applicable, pursuant to the terms of the distribution waterfall set forth in **Section 4.2** or **Section 4.3**, as applicable. Solely for purposes of determining the initial Threshold Values of any Class D Incentive Units pursuant to **Section 3.11(d)** and the limitation on distributions in respect of such Class D Incentive Units imposed by **Section 4.4(b)**, any Retained Distributions shall be treated as having been distributed with respect to the applicable Class D Incentive Unit at the time such distribution would have been made absent application of this **Section 4.4(c)**.

**Section 4.5 Allocations**. After giving effect to the allocations set forth in **Section 4.6**, the Company shall allocate net Profits and Losses of the Company (and, at the direction and with the consent of the Class B Representative, items of income, gain, loss and deduction comprising such net Profits and Losses) for each Taxable Year among the Members in a manner such that the Capital Account of each Member, immediately after making such allocation, is, as nearly as possible, equal (proportionately) to (a) the Distributions that would be made to such Member if the Company were dissolved, its affairs wound up and its assets sold for cash equal to their Book Value, all Company liabilities were satisfied (limited with respect to each Nonrecourse Liability to the Book Value of the assets securing such liability), and the net assets of the Company were distributed in accordance with **Section 4.3** to the Members (treating for this purpose all Unvested Class D Incentive Units as Vested Class D Incentive Units), *minus* (b) such Member's share of Company Minimum Gain and Member Nonrecourse Debt Minimum Gain, computed immediately prior to the hypothetical sale of assets and the amount any such Member is treated as obligated to contribute to the Company, computed immediately after the hypothetical sale of assets. Notwithstanding the foregoing, for any Taxable Year ending prior to the date of any Fundamental Change or Monetization Event, this **Section 4.5** shall be applied as if clause (a)(ii) of the definition of "Base Preferred Return Amount" were not part of this Agreement.

**Section 4.6 Special Allocations**.

(a) Notwithstanding any other provisions of this **Section 4.6**, if there is a net decrease during a Taxable Year in Company Minimum Gain, items of income or gain of the Company for such Taxable Year (and, if necessary, for subsequent Taxable Years) shall be allocated to the Members in the amounts and of such character as determined according to Treasury Regulations Section 1.704-2(f)(6) and (g)(2) and Section 1.704-2(j)(2)(i), or any successor provisions. This **Section 4.6(a)** is intended to comply with the Company Minimum Gain chargeback requirement in Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) Notwithstanding any other provisions of this **Section 4.6**, except as provided in Treasury Regulations Section 1.704-2(i)(4), if there is a net decrease in Member Nonrecourse Debt Minimum Gain during any Taxable Year, each Member with a share of Member

Nonrecourse Debt Minimum Gain at the beginning of the such Taxable Year shall be allocated items of income or gain of the Company for such Taxable Year (and, if necessary, for subsequent Taxable Years) in the amounts and of such character as determined according to Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2)(ii), or any successor provisions. This **Section 4.6(b)** is intended to comply with the chargeback requirement of Treasury Regulations Section 1.704-2(i)(4), and shall be interpreted in a manner consistent therewith.

(c) Nonrecourse deductions (as determined in accordance with Treasury Regulations Section 1.704-2(b)(1)) for any Taxable Year shall be allocated ratably among the Members based upon the manner in which Profits are allocated among the Members for such Taxable Year.

(d) Losses attributable to Member Nonrecourse Deductions for any Taxable Year shall be allocated in the manner required by Treasury Regulations Section 1.704-2(i).

(e) If any Member that unexpectedly receives an adjustment, allocation or distribution described in Treasury Regulations Section 1.704-l(b)(2)(ii)(d)(4), (5) and (6) has an Adjusted Capital Account Deficit as of the end of any Taxable Year, computed after the application of **Section 4.5** but before the application of any other provision of this **Article IV**, then items of income or gains of the Company for such Taxable Year shall be specially allocated as quickly as possible to such Member in proportion to, and to the extent of, such Adjusted Capital Account Deficit. Notwithstanding the foregoing, an allocation pursuant to this **Section 4.6(e)** shall be made only if and to the extent that such Member would have a deficit in such Member's Capital Account after all other allocations provided in this **Article IV** have been tentatively made as if this **Section 4.6(e)** were not part of this Agreement. This **Section 4.6(e)** is intended to be a qualified income offset provision as described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted in a manner consistent therewith.

(f) Profits and Losses described in **Section 3.4(b)(iv)** shall be allocated in a manner consistent with the manner that the adjustments to the Capital Accounts are required to be made pursuant to Treasury Regulations Section 1.704-l(b)(2)(iv)(m).

(g) The allocations set forth in **Sections 4.6(a)** through **(e)** (the "**Regulatory Allocations**") are intended to comply with certain requirements of Treasury Regulations Sections 1.704-1(b) and 1.704-2. The Regulatory Allocations may not be consistent with the manner in which the Members intend to allocate Profit and Loss of the Company or make the Company's Distributions. Accordingly, notwithstanding the other provisions of this **Article IV**, but subject to the Regulatory Allocations, income, gain, deduction, and loss shall be reallocated among the Members so as to eliminate the effect of the Regulatory Allocations and thereby cause the respective Capital Accounts of the Members to be in the amounts (or as close thereto as possible) they would have been if Profit and Loss (and such other items of income, gain, deduction and loss) had been allocated without reference to the Regulatory Allocations. In general, the Members anticipate that this will be accomplished by specially allocating other Profit and Loss (and such other items of income, gain, deduction and loss) among the Members so that the net amount of the Regulatory Allocations and such special allocations to each such Member is zero.

**Section 4.7 Tax Allocations**.

(a) The income, gains, losses, deductions and credits of the Company will be allocated for federal, state and local income tax purposes among the Members in accordance with the allocation of such income, gains, losses, deductions and credits among the Members for computing their Capital Accounts. In the event any such allocation is not permitted by the Code or other applicable law, the Company's subsequent income, gains, losses, deductions and credits will be allocated for federal, state and local income tax purposes among the Members so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts.

(b) Items of the Company's taxable income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall be allocated among the Members in accordance with Code Section 704(c) so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its Book Value. In addition, if the Book Value of any of the Company's asset is adjusted pursuant to the requirements of Treasury Regulations Section 1.704-l(b)(2)(iv)-(f), then subsequent allocations of items of taxable income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Book Value in the same manner as under Code Section 704(c). The Board shall determine all allocations pursuant to this **Section 4.7(b)** using any method determined by the Board, subject to **Section 5.7**, that constitutes a "reasonable method" under the Treasury Regulations under Code Section 704(c).

(c) Allocations of tax credits, tax credit recapture, and any items related thereto shall be allocated to the Members according to their interests in such items as determined by the Board taking into account the principles of Treasury Regulations Section 1.704-1(b)(4)(ii).

(d) Allocations pursuant to this **Section 4.7** are solely for purposes of federal, state and local taxes and shall not affect any Member's Capital Account.

(e) For purposes of maintaining Capital Accounts and for allocations of Profits, Losses, and Distributions, any Unit holder shall be treated as a Member.

**Section 4.8 Withholding and Indemnification for Payments on Behalf of a Member**. The Company may withhold from Distributions with respect to any Unit or portions thereof if it is required by applicable law to make any payment to a Governmental Entity that is specifically attributable to a Member with respect to Units held by such Person (including federal, state or local taxes). Each such Member hereby authorizes the Company to withhold from or pay on behalf of or with respect to such Member any such payment that the Board determines that the Company is required to withhold or pay with respect to any amount distributable or allocable to such Member with respect to Units held by such Person pursuant to this Agreement. Any taxes, penalties and interest payable under the Partnership Tax Audit Rules by the Company or any fiscally transparent entity in which the Company owns an interest shall be treated as specifically attributable to the Members. The Board shall use commercially reasonable efforts to allocate the burden of (or any diminution in distributable proceeds resulting from) any such taxes, penalties or interest to the Members to whom such amounts are specifically attributable (whether as a result of their status, actions, inactions or otherwise) as determined by the Board. Any amounts withheld from, paid on behalf of or otherwise specifically attributable to any Member pursuant to this

**Section 4.8** will be treated as having been distributed to such Member. To the extent that the cumulative amount withheld or paid for any period exceeds the Distributions to which such Member is entitled for such period with respect to Units held by such Person, the Company will provide notice to such Member. Any such amount withheld or paid will (a) be treated as having been distributed to such Member as an advance against the next Distributions that would otherwise be made to such Member with respect to Units held by such Person, and such amount shall be satisfied by offset from such next Distributions or (b) if requested in writing by the Board, be contributed by such Member to the Company within fifteen (15) days of demand therefor. If a Member fails to comply with its obligation to contribute to the Company pursuant to clause (b) above, such Member shall indemnify the Company in full for the entire amount paid by the Company (including interest, penalties and related expenses). Each Member will furnish the Board with such information as may reasonably be requested by the Board from time to time to determine whether withholding is required and the amount thereof. In addition, each Member will promptly notify the Board if such Member determines at any time that it is subject to withholding. A Member's obligation to indemnify and make contributions to the Company under this **Section 4.8**: (i) shall survive the termination, dissolution, liquidation, cancellation, and winding up of the Company, and for purposes of this **Section 4.8**, to the fullest extent permitted by applicable law, the Company shall be treated as continuing in existence; and (ii) shall also survive such Member ceasing to be a Member. The Company may pursue and enforce all rights and remedies it may have against each Member under this **Section 4.8** if a Member does not comply with the provisions in this **Section 4.8**, including instituting a lawsuit to collect such amounts required to be paid to the Company or otherwise borne by such Member, with interest calculated at a rate equal to the Prime Rate plus three (3) percentage points per annum (but not in excess of the highest rate per annum permitted by applicable law), compounded on the last day of each Fiscal Quarter.

## ARTICLE V
## MANAGEMENT

**Section 5.1 Management of the Company**. Subject to **Section 5.7** and **Section 5.8** and to the oversight of the Board of Managers of the Company (the "**Board**", and each member of the Board, a "**Manager**"), the management and administration of the day-to-day business and affairs of the Company will be provided by the Service Provider pursuant to the terms of the DSA. The Board shall oversee, direct and manage the activities of the Company. In addition to the services provided by the Service Provider, under the direction of the Board, certain activities of the Company may be conducted on the Company's behalf by committees of the Board or the Officers of the Company as specified and authorized by the Board as set forth in **Section 5.11**.

**Section 5.2 Board Composition; Term; Removal; Vacancies**.

(a) Subject to the other provisions in this **Section 5.2(a)**, the Board shall consist of nine (9) Managers, (i) five (5) of whom shall be appointed by Nuvve (each, a "**Nuvve Manager**"), (ii) for so long as any Class B Preferred Units remain outstanding or Stonepeak owns at least ten percent (10%) or more of the issued and outstanding Common Units, three (3) of whom shall be appointed by Stonepeak (each, a "**Stonepeak Manager**") and (iii) one (1) of whom shall be an Independent Manager. Notwithstanding the foregoing, in the event no Class B Preferred Units remain outstanding, the number of managers to be appointed by each of Nuvve and Stonepeak to the Board shall automatically, and without further action by the Board or the

Members, be adjusted proportionately to the number of Common Units owned by each of Nuvve and Stonepeak; provided, that Stonepeak, or its designee, shall always have the right to designate at least one (1) Stonepeak Manager to the Board so long as Stonepeak or its Affiliates own any Common Units. Upon the occurrence of a Trigger Event, the Board shall automatically, and without further action by the Board or the Members, be reconstituted to consist of thirteen Managers, and Stonepeak shall have the exclusive right to designate seven (7) Stonepeak Managers in the aggregate. Prior to considering the taking of any Bankruptcy Event, the Board shall appoint a second (2nd) Independent Manager, and the Board shall automatically, and without further action by the Board or the Members, be reconstituted to consist of fourteen (14) Managers. Acting by majority consent, the Managers (excluding the Independent Manager) shall select a Manager (other than the Independent Manager) to act as the Chairman of the Board. Each Manager appointed to the Board shall serve until his or her successor is duly appointed or until her or her earlier death, removal or resignation. Notwithstanding the foregoing, as of the Execution Date, (i) the initial Nuvve Managers shall be Gregory Poilasne, Ted Smith, David Robson, Stephen Moran, and Timothy Hennessy, (ii) the initial Stonepeak Managers shall be DJ Gribbin, Will Demas and Trent Kososki and (iii) the initial Independent Manager shall be Michelle A. Dreyer. So long as an Independent Manager is required, in no event shall the total number of Managers on the Board, including the Independent Manager, be less than five (5). The Independent Manager will serve as Independent Manager pursuant to a Service Agreement between the Company and Corporation Service Company, a Delaware corporation, joined in execution by Michelle A. Dreyer, as Independent Manager.

(b) Any Nuvve Manager or Stonepeak Manager may resign at any time by delivering a written notice to the Company. Such resignation shall be effective upon receipt of such written notice unless it is specified in such notice to be effective at some other time or upon the happening of some other event and, unless specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any Nuvve Manager may be removed from the Board or any committee thereof at any time and with or without cause by Nuvve. Any Stonepeak Manager may be removed from the Board or any committee thereof at any time and with or without cause by Stonepeak. The removal of a Nuvve Manager by Nuvve and Stonepeak Manager by Stonepeak shall be effective upon receipt of notice thereof by the Company. Upon the removal of a Nuvve Manager or Stonepeak Manager, Nuvve or Stonepeak, as applicable, shall notify the remaining Managers within forty-eight (48) hours of such removal. Any vacancy on the Board or any committee thereof because of resignation, death or removal of (i) a Nuvve Manager will be filled only by a new Nuvve Manager appointed by Nuvve and (ii) a Stonepeak Manager will be filled only by a new Stonepeak Manager appointed by Stonepeak. If a Member fails to appoint a Manager pursuant to this **Section 5.2**, such position on the Board or committee thereof shall remain vacant until a Member exercises its right to appoint a Manager as provided herein. Any vacancies on the Board shall not be counted towards any quorum requirements under this Agreement.

(c) Independent Managers may resign at any time by delivering a written notice to the Company. Upon delivery of a notice of resignation, death or removal with or without cause of a Person serving as an Independent Manager, a replacement Independent Manager (which, for the avoidance of doubt, must satisfy the requirements set forth in the definition of "Independent Manager" herein) shall promptly be appointed by the remaining Managers acting by unanimous consent. Notwithstanding anything herein to the contrary, the Independent Managers shall not be counted towards any quorum or voting requirements under this Agreement and shall not have any

right to vote on any other matter other than, in each case, a Bankruptcy Event pursuant to and in accordance with **Section 5.9**.

**Section 5.3 Board Actions; Meetings**. Regular meetings of the Board shall be held no less than once each calendar quarter on such dates and at such times as shall be determined by the Board in accordance with the notice provisions in this **Section 5.3**. Special meetings of the Board may be called by any Nuvve Manager or Stonepeak Manager, and special meetings of any committee may be called by any Nuvve Manager or Stonepeak Manager on such committee. Meetings of the Board and any committee thereof shall be held at the principal office of the Company or at such other place as may be determined by the Board or such committee. Notice of each meeting of the Board or any Board committee shall state the date, place, time and purpose of such meeting. Notice required by this **Section 5.3** shall be given to each Manager of the Board by hand, telephone, telecopy, e-mail, overnight courier or the United States mail not less than five (5) days, with respect to regular meetings, or twenty-four (24) hours, with respect to special meetings, and not more than fifty (50) days prior to such meeting. Notice to a Manager may be waived by such Manager before or after a meeting or by attendance of such Manager without protest at such meeting. A meeting of the Board or any Board committee may be held by telephone conference or similar communications equipment by means of which all individuals participating in the meeting can be heard. The Board or any Board committee may adopt such other procedures governing meetings and the conduct of business at such meetings as it shall deem appropriate. At all duly noticed meetings of the Board and any Board committee, the presence of a majority of the Managers entitled to vote at such meeting shall constitute a quorum for the transaction of business; provided, that at least one (1) Stonepeak Manager must be present to constitute a quorum. Participation by a Manager in a meeting in accordance with this **Section 5.3** shall constitute presence in person at the meeting. If a quorum is not present at any meeting of the Board or any Board committee, the Managers present may adjourn the meeting from time to time for a period not to exceed sixty (60) days, without notice other than announcement at the meeting, until a quorum is present. A Manager may be counted as present for purposes of a quorum at a meeting of the Board or Board committee pursuant to a valid written proxy delivered to another Manager who is present at such Board or committee meeting. Each Manager shall have one vote on all matters submitted to the Board or any Board committee. Unless otherwise expressly provided in this Agreement, including **Section 5.7, Section 5.8** and **Section 5.9**, approval by the majority of the Board or members of a committee, as applicable, taken at a duly convened meeting at which a quorum is present, shall be required for any act of the Board or Board committee. Notwithstanding any of the foregoing or any contrary provision of this Agreement, the vote or consent (including the written consent) of the Independent Manager shall only be required as provided by **Section 5.9**, and all other actions of the Board shall be taken, and quorum of the Board shall be calculated, as if the Independent Manager is not a member of the Board. The Independent Manager shall only be required to attend a meeting of the Board if the vote of the Independent Manager is required as provided by **Section 5.9**.

**Section 5.4 Actions by Consent**. The actions by the Board or any Board committee may be taken: (a) by vote of the Board or Board committee at any meeting for which a quorum is present; or (b) by written consent (without a meeting and without a vote), so long as such written consent sets forth the action so taken and is executed by a majority of the Board or members of such committee, including, in the case of this clause (b), at least one (1) Stonepeak Manager (unless otherwise expressly provided in this Agreement); provided, that no action by written consent may

be taken unless notice of such action has been provided to each Stonepeak Manager at least forty-eight (48) hours prior to the taking of such action. A copy of such written consent of the Board shall be provided to the Board Observer substantially concurrently with the delivery of such written consent to the Managers.

**Section 5.5 Minutes**. All decisions and resolutions of the Board shall be reported in the minutes of the Company, which shall state the date and the resolutions approved by the Board. The minutes of the Company shall be kept at the principal office of the Company.

**Section 5.6 Board Observer**. For so long as Evolve owns more than two percent (2%) of the issued and outstanding Common Units and is not a Non-Funding Member, Evolve shall have the right to designate one (1) natural Person to act as a Board observer (a "**Board Observer**") at all meetings of the Board, which designation shall be made by written notice to the Company. Subject to the limitations set forth in this **Section 5.6**, the Board Observer shall be entitled to attend all meetings of the Board and, so long as Evolve owns at least ten percent (10%) of the issued and outstanding Class B Preferred Units, of any committee thereof, and the Company shall provide to the Board Observer any notices of Board or committee meetings, as applicable, and a copy of all meeting materials currently with providing such notices and materials to the Board or committee, as applicable, substantially concurrently with delivery of such notices and meeting materials to the Managers. The Board Observer shall not have any voting rights or count towards any quorum with respect to any action brought before the Board or any Board committee. Notwithstanding any rights to be granted or provided to the Board Observer under this Agreement, the Board or any two Managers acting together may exclude a Board Observer from access to any materials or meetings (but not prevent delivery of a notice of such meeting) or portion thereof, (a) if the Board Observer does not execute and deliver to the Company a confidentiality agreement reasonably acceptable to the Company prior to such meeting or the delivery of such materials, (b) if such exclusion is reasonably (in the good faith determination of the Board or such Managers) necessary to preserve the attorney-client privilege between the Company or its Subsidiaries and counsel, or any privilege under any common interest or joint defense doctrine, or to comply with law, rule or regulation; provided that the Board Observer shall be provided with a summary of such materials or minutes of such meeting that, in each case, provides as much detail as reasonably possible about such materials or such meeting without reasonably being expected to forfeit attorney-client privilege. Nothing herein shall prevent the Board from taking any action by written consent in accordance with this Agreement, provided, however, that the Board Observer will receive any such written consent substantially concurrently with the other members of the Board.

**Section 5.7 Board Approval Requirement**. In addition to such other matters as the Board may from time to time by resolution determine or as otherwise set forth in this Agreement, and subject to **Section 5.8** and **Section 5.9** below, none of the Company, any of its Subsidiaries nor any officer or agent of the Company on behalf of the Company or any of its Subsidiaries (including the Service Provider), shall take any of the actions described in this **Section 5.7** (a) without the approval of the Managers constituting a majority of the Board (in accordance with **Section 5.3**), (b) for so long as Stonepeak continues to own at least fifty percent (50%) or more of the issued and outstanding Class B Preferred Units, Special Approval, unless (in the case of this clause (b)) all Class B Preferred Units are redeemed in full at the Preferred Redemption Price upon the effectiveness of such action (and such approval and action is expressly conditioned thereon)

and (c) so long as Stonepeak owns at least twenty percent (20%) or more of the issued and outstanding Common Units, the prior written approval of at least one (1) Stonepeak Manager:

(i) (A) incur, create, guaranty or suffer arrangements regarding the incurrence or guaranty of Indebtedness or similar arrangements, in each case other than in accordance with an Annual Budget or (B) lend money (other than customary trade debt and accounts receivable);

(ii) approve (A) the Annual Budget or (B)(1) approve any amendment, supplement or modification to any Annual Budget or (2) authorize any expenditures that, individually or in the aggregate, exceed the Annual Budget by five percent (5%) on a line-item basis (other than with respect to general and administrative expenses which shall be zero percent (0%));

(iii) (A) create or issue any additional Equity Securities in the Company or its Subsidiaries, or (B) subdivide or combine (by any unit split, reverse unit split, unit dividend, unit combination, reclassification, recapitalization or otherwise) any Equity Securities in the Company or its Subsidiaries;

(iv) initiate, settle, compromise, resolve or dismiss any litigation, arbitration, administrative proceeding or regulatory matter where the amount to be paid is greater than fifty thousand dollars ($50,000) or is with respect to an action for injunctive or other equitable relief or relating to a criminal matter;

(v) enter into, terminate, extend, amend, waive, modify, consent to, authorize, approve or exercise any right, in each case, with respect to any material provision in the Transaction Documents or the Company's or any of its Subsidiaries' organizational documents, including the Governing Documents;

(vi) enter into, terminate, extend, amend, waive, modify, consent to, authorize, approve or exercise any right with respect to any Affiliate Contract or other Affiliate transactions by the Company or its Subsidiaries (including, for the avoidance of doubt, the DSA but excluding, for the avoidance of doubt, any transactions with wholly-owned Subsidiaries of the Company);

(vii) change the business purpose as set forth in **Section 2.4** or the name of the Company or its Subsidiaries or otherwise pursue any activities not related to the ownership and operation of the Business;

(viii) effect or permit a Fundamental Change (other than pursuant to clause (a) of the definition thereof);

(ix) create any new Subsidiaries that are not directly or indirectly wholly owned or acquire any equity or debt interests in another Person that is not directly or indirectly wholly owned, or permit any Subsidiary to cease to be a directly or indirectly wholly owned Subsidiary;

(x) sell, exchange or otherwise dispose of any interest in the assets or properties of the Company or its Subsidiaries, in each case other than in accordance with an Annual Budget;

(xi) (A) make or agree to any acquisitions, including investments in third parties, or (B) spend or commit to spend capital expenditures, other than, in each case, in accordance with an Annual Budget;

(xii) take any action that would result in a Bankruptcy Event (which such Bankruptcy Event shall also require the vote of the Independent Manager and Evolve pursuant to **Section 5.8(c)(ii)**);

(xiii) change the Company's outside auditors or accountants to any auditor or accountant;

(xiv) make, change or revoke any tax election (including any "push-out" election or any election that causes a change to the Company's classification as a partnership for income tax purposes), settle or compromise any tax proceeding, make any changes in the Company's accounting and tax policies, or take any other material action with respect to tax matters;

(xv) (A) obtain, fail to maintain, or modify the terms of director and officer insurance or any other material insurance policy or (B) fail to maintain an insurance policy in respect of the assets and properties of the Company and its Subsidiaries with a minimum amount in coverage that is customary for the Business in accordance with prudent industry standards and practices;

(xvi) (A) make any Distribution to the Members in any medium other than cash or (B) make any Distribution to the Members other than in accordance with **Article IV**;

(xvii) make any redemptions or repurchases in respect of the Common Units or any Equity Securities or Debt Securities of the Company or any of its Subsidiaries, other than redemptions of the Class B Preferred Units in accordance with **Article XI**;

(xviii) change the composition of the Board (other than appointments and removals in accordance with this Agreement);

(xix) determine, approve, amend or adjust the amount of Available Cash;

(xx) hire or terminate any Key Employees or otherwise modify any such Key Employee arrangements;

(xxi) enter into or terminate, or extend, amend, waive or modify in any material regard, or consent to, authorize, approve or exercise any material right, in each case, with respect to any material customer or service provider agreement;

(xxii) determine Fair Market Value of any equity interest, asset, or other property for all purposes set forth in this Agreement;

(xxiii) request or accept any Capital Contribution and issue Equity Securities in connection therewith;

(xxiv) determine the form of the Award Agreement, make or determine the recipients or allocations of the Class D Incentive Units (other than with respect to allocations to Dedicated Employees (as defined in the DSA) for which the Class B Representative may allocate Class D Incentive Units without approval of the Board in accordance with **Section 3.11(a)**) or terminate, extend, amend, waive, modify, consent to, authorize, approve, make any election or exercise any right with respect to the Class D Incentive Units, the Class D Incentive Unit Members or any agreement related thereto; and

(xxv) take any action, authorize, approve, or enter into any agreement or otherwise commit or agree to do any of the foregoing.

**Section 5.8 Additional Approval Requirements**. Notwithstanding anything to the contrary in this Agreement (including duplicative provisions in **Section 5.7**), none of the Company, any of its Subsidiaries nor any officer or agent of the Company on behalf of the Company or any of its Subsidiaries (including the Service Provider) shall:

(a) take any of the following actions without having first obtained (a) for so long as Stonepeak continues to own any issued and outstanding Class B Preferred Units, Special Approval, unless (in the case of this clause (a)) all Class B Preferred Units are redeemed in full at the Preferred Redemption Price upon the effectiveness of such action (and such approval and action is expressly conditioned thereon) and (b) so long as Stonepeak owns at least ten percent (10%) or more of the issued and outstanding Common Units, the prior written approval of at least one (1) Stonepeak Manager: take any action, authorize, approve, or otherwise effect the matters set forth in **Section 5.7(i)**, **Section 5.7(ii)**, **Section 5.7(v)**, **Section 5.7(vi)**, **Section 5.7(vii)**, **Section 5.7(viii)**, **Section 5.7(ix)**, **Section 5.7(x)**, **Section 5.7(xi)**, **Section 5.7(xii)**, **Section 5.7(xiv)**, **Section 5.7(xv)**, **Section 5.7(xvi)**, **Section 5.7(xvii)**, **Section 5.7(xviii)**, or take any action, authorize, approve, or enter into any agreement or otherwise commit or agree to do any of the foregoing;

(b) take any of the following actions without having first obtained, so long as Stonepeak owns any issued and outstanding Common Units, the prior written approval of at least one (1) Stonepeak Manager: take any action, authorize, approve, or otherwise effect the matters set forth in **Section 5.7(v)** (solely with respect to the Governing Documents), **Section 5.7(vi)**, **Section 5.7(vii)**, **Section 5.7(xii)**, **Section 5.7(xiv)**, **Section 5.7(xvi)**, or take any action, authorize, approve, or enter into any agreement or otherwise commit or agree to do any of the foregoing; and

(c) take any of the following actions without having first obtained, so long as Evolve owns any issued and outstanding Common Units, the prior written approval of Evolve:

(i) amend or modify this Agreement other than in accordance with **Section 12.4**;

(ii) take any action, authorize, approve, or otherwise effect the matters set forth in **Section 5.7(vii)**, **Section 5.7(xii)** or **Section 5.7(xiii)**;

(iii) change the Company's classification as a partnership for income tax purposes other than in connection with a Monetization Event;

(iv) make any Distribution to the Members other than in accordance with **Article IV**;

(v) make any non-*pro rata* redemptions or repurchases in respect of the Common Units, Class B Preferred Units or any Equity Securities that are *pari passu* or junior to the Class B Preferred Units; or

(vi) take any action, authorize, approve, or enter into any agreement or otherwise commit or agree to do any of the foregoing.

**Section 5.9 Bankruptcy Events**. Without the consent of the Board (including the Independent Manager), Evolve and the Class B Representative, and once the Board appoints an additional Independent Manager pursuant to **Section 5.2(a)**, the Independent Managers, the Board or any Board committee shall not be authorized or empowered, nor shall the Board or any Board committee permit the Company, to take any Bankruptcy Event and the Board and any Board committee may not vote on, or authorize the taking of, any Bankruptcy Event, unless the Independent Managers have participated in such vote on or authorization of such taking of such Bankruptcy Event and Evolve and the Class B Representative have consented to the taking of such Bankruptcy Event.

**Section 5.10 Committee Membership; Subsidiary Governance**. Each committee of the Board and each governing body of the Company's Subsidiaries shall consist of a number of Nuvve Managers and Stonepeak Managers or representatives of Nuvve and Stonepeak, as applicable, in proportion to the number of Nuvve Managers and Stonepeak Managers, respectively, on the Board as of such time; provided, that each of Nuvve and Stonepeak shall have the right to have at least one (1) Nuvve Manager and Stonepeak Manager or one (1) representative of Nuvve and Stonepeak, respectively, appointed to serve on each committee of the Board and each governing body of the Company's Subsidiaries. Notwithstanding the foregoing, the Board, acting with Special Approval, may consent to a waiver of the foregoing requirements of this **Section 5.10** with respect to a Company Subsidiary.

**Section 5.11 Officers**.

(a) The officers of the Company shall be such officers as the Board from time to time may deem proper. All officers of the Company shall be appointed by the Board. All officers shall each have such powers and duties as generally pertain to their respective offices or as may be prescribed by the Board.

(b) Each officer shall hold office until such Person's successor shall have been duly elected and shall have qualified or until such Person's death or until he shall resign or be removed pursuant to **Section 5.11(c)**.

(c) Any officer elected, or agent appointed, by the Board may be removed, with or without cause, by the Board whenever, in its judgment such removal is in the Company's best interests. No elected officer shall have any contractual rights against the Company for

compensation by virtue of such election beyond the date of the election of such Person's successor, such Person's death, such Person's resignation or such Person's removal, whichever event shall first occur, except as otherwise provided in an employment contract or under an employee deferred compensation plan.

(d) A newly created office and a vacancy in any office because of death, resignation or removal may be filled by the Board for the unexpired portion of the term.

**Section 5.12 Limitation of Liability; Manager and Officer Insurance**.

(a) Except as otherwise provided herein or in any agreement entered into by such Person and the Company and to the maximum extent permitted by the Delaware Act, no present or former Manager, nor any such Manager's Affiliates, employees, agents or representatives, shall be liable to the Company or to any Member for any act or omission performed or omitted by such Person in its capacity as Manager. Except as otherwise provided in this Agreement, the limitation of liability set forth in the prior sentence shall not apply to the extent the act or omission was attributable to such Person's actual fraud as determined by a final judgment, order or decree of an arbitrator or a court of competent jurisdiction (which is not appealable or with respect to which the time for appeal therefrom has expired and no appeal has been perfected). Each Manager shall be entitled to rely upon the advice of legal counsel, independent public accountants and other experts, including financial advisors, and any act of or failure to act by such Manager in good faith reliance on such advice shall in no event subject such Manager or any of such Manager's Affiliates, employees, agents or representatives to liability to the Company or any Member.

(b) The Company shall obtain and maintain, at its sole cost and expense, director and officer insurance, which director and officer insurance shall be with an underwriter or underwriters, and having coverage limits and other terms and conditions, reasonably acceptable to the Board.

**Section 5.13 Enforcement of Affiliate Contracts**. Notwithstanding anything to the contrary in this Agreement, (a) in the event of (i) any breach or default under any Affiliate Contract by an Affiliated Counterparty, and (ii) the failure of the Company or its applicable Subsidiary to commence in a commercially reasonable period of time (in any event within five (5) Business Days of receiving notice of the events in preceding clauses (i) or (ii)) or diligently prosecute thereafter reasonably appropriate enforcement or termination measures in respect of such breach or default, each of the Members and the Company agree that any non-conflicted Member(s) shall be entitled to cause the Company or its applicable Subsidiary to enforce its rights and remedies in respect of such matter, without the requirement of the approval by the Board or any other Person, including the other Member(s), and (b) each of the Members and the Company agree that so long as any Class B Preferred Units remain outstanding, the Class B Representative, or if no Class B Preferred Units remain outstanding, the non-conflicted Member(s) holding a majority of the Common Units held by all non-conflicted Member(s), shall be entitled to cause the Company or its applicable Subsidiary to terminate, extend, amend, waive, modify, consent to, authorize, approve, make any election or exercise any right with respect to any Affiliate Contract (including, for the avoidance of doubt, the DSA) without the requirement of the approval by the Board or any other Person; provided, that any such action pursuant to clauses (a) or (b) shall in each case be in

accordance with the terms and conditions of such Affiliate Contract. Additionally, at any time any Class B Preferred Units are outstanding, the Class B Representative shall have the right to enforce any right to claim a breach of an obligation relating to any Award Agreement by any Person holding Class D Incentive Units, including the provisions relating to non-competition, non-solicitation, confidentiality, non-disparagement and the devotion of substantial business time to the Company.

**Section 5.14 Separateness**.

(a) The Company shall take all reasonable steps to maintain its identity as a separate legal entity from each other Person and to make it manifest to third parties that it is a separate legal entity. Without limiting the generality of the foregoing, except with the prior written approval of the Board acting with Special Approval, and with the prior written approval of the Service Provider as may be required under the DSA, the Company shall:

(i) maintain its own separate books and records, financial statements and bank accounts from those of Nuvve Parent and its other Affiliates;

(ii) at all times hold itself out to the public as a legal entity separate from any other Person and not identify itself or hold itself out as a division of any other Person;

(iii) other than as may be permitted by the DSA, conduct its business in its own name and hold all of its assets in its own name;

(iv) hold at least quarterly meetings of the Board and otherwise observe corporate governance formalities as set forth in **Article V**;

(v) maintain an arm's-length relationship with Affiliates of Nuvve Parent;

(vi) not hold out its credit as being available to satisfy the obligations of other Persons, including Nuvve Parent and its Affiliates;

(vii) not become or remain liable, directly or contingently, in connection with any Indebtedness or other liability of Nuvve Parent or any of its Subsidiaries, whether by guaranty, indorsement (other than indorsements of negotiable instruments for deposit or collection in the ordinary course of business), agreement to purchase or repurchase, agreement to supply or advance funds or otherwise;

(viii) not grant or permit to exist any lien, encumbrance, claim, security interest, pledge or other right in favor of any Person in the assets of the Company or its Subsidiaries that secures the obligations or is for the benefit of Nuvve Parent and its other Affiliates;

(ix) not make loans or transfer funds to Nuvve Parent or its Affiliates;

(x) file its own tax return and pay on its own behalf any taxes required to be paid by the Company under applicable law;

(xi) not commingle its assets with assets of any other Person;

(xii) pay its own liabilities out of its own funds;

(xiii) use separate stationery, invoices and checks bearing its own name;

(xiv) correct any known misunderstanding regarding its separate identity; and

(xv) not acquire any obligations or securities of Nuvve Parent or any of its Affiliates.

(b) The Members acknowledge and agree that the Company is a special purpose, non-guarantor, unrestricted Subsidiary of Nuvve Parent and any Affiliate thereof and shall be bankruptcy remote from Nuvve Parent and any Affiliate of Nuvve Parent that is not the Company.

## ARTICLE VI
## EXCULPATION AND INDEMNIFICATION; DUTIES; BUSINESS OPPORTUNITIES

**Section 6.1 Indemnification**.

(a) Subject to the limitations expressly provided in this Agreement, all Indemnitees shall be indemnified and held harmless by the Company from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including reasonable legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts arising from any and all threatened, pending or completed claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, and whether formal or informal and including appeals (a "**Proceeding**"), in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as an Indemnitee and acting (or refraining to act) in such capacity. Notwithstanding the foregoing, an Indemnitee shall not be indemnified and held harmless pursuant to this Agreement if there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that, in respect of the matter for which the Indemnitee is seeking indemnification pursuant to this Agreement, the Indemnitee acted in bad faith or engaged in fraud, gross negligence or willful misconduct. Any indemnification pursuant to this **Section 6.1** shall be made only out of the assets of the Company, it being agreed that the Members shall not be personally liable for such indemnification and shall have no obligation to contribute or loan any monies or property to the Company to enable it to effectuate such indemnification.

(b) Any right to indemnification conferred in this **Section 6.1** shall include a limited right to be paid or reimbursed promptly by the Company for any and all reasonable and documented out-of-pocket expenses as they are incurred by an Indemnitee entitled or authorized to be indemnified under this **Section 6.1** who was, is or is threatened, to be made a named defendant or respondent in a Proceeding in advance of the final disposition of the Proceeding and without any determination as to such Indemnitee's ultimate entitlement to indemnification; *provided*, *however*, that the payment of such expenses incurred by any such Indemnitee in advance of final disposition of a Proceeding shall be made only upon delivery to the Company of a written affirmation by such Indemnitee of its good faith belief that he has met the requirements necessary

for indemnification under this **Section 6.1** and a written undertaking by or on behalf of such Indemnitee to promptly repay all amounts so advanced if it shall ultimately be determined that such indemnified Person is not entitled to be indemnified under this **Section 6.1** or otherwise.

(c) The indemnification provided by this **Section 6.1** shall be in addition to any other rights to which an Indemnitee may be entitled under any agreement, pursuant to any vote of the Members, as a matter of law, in equity or otherwise, both as to actions in the Indemnitee's capacity as an Indemnitee and as to actions in any other capacity, and shall continue as to an Indemnitee who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns and administrators of the Indemnitee.

(d) The Company may purchase and maintain insurance, on behalf of the Company, its Affiliates, the Indemnitees and such other Persons as the Company shall determine, against any liability that may be asserted against, or expense that may be incurred by, such Person in connection with the Company's or any of its Affiliate's activities or such Person's activities on behalf of the Company or any of its Affiliates, regardless of whether the Company would have the power to indemnify such Person against such liability under the provisions of this Agreement.

(e) The provisions of this **Section 6.1** are for the benefit of the Indemnitees and their heirs, successors, assigns, executors and administrators and shall not be deemed to create any rights for the benefit of any other Persons.

(f) Any amendment, modification or repeal of this **Section 6.1** or any provision hereof shall be prospective only and shall not in any manner terminate, reduce or impair the right of any past, present or future Indemnitee to be indemnified by the Company, nor the obligations of the Company to indemnify any such Indemnitee under and in accordance with the provisions of this **Section 6.1** as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

(g) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, AND SUBJECT TO **SECTION 6.1(A)**, THE PROVISIONS OF THE INDEMNIFICATION PROVIDED IN THIS **SECTION 6.1** ARE INTENDED BY THE MEMBERS TO APPLY EVEN IF SUCH PROVISIONS HAVE THE EFFECT OF EXCULPATING THE INDEMNITEE FROM LEGAL RESPONSIBILITY FOR THE CONSEQUENCES OF SUCH PERSON'S NEGLIGENCE, FAULT OR OTHER CONDUCT.

**Section 6.2 Liability of Indemnitees**.

(a) Notwithstanding anything to the contrary set forth in this Agreement, no Indemnitee shall be liable for monetary damages to the Company, the Members, any Substituted Member or any Additional Member, for losses sustained or liabilities incurred as a result of any act or omission of an Indemnitee unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that, in respect of the matter in question, the Indemnitee breached this Agreement or aided and abetted a breach of this Agreement (or in the case of the Independent Manager, materially breached this Agreement or aided and abetted a material breach of this Agreement), acted in bad faith or engaged in fraud, gross negligence, willful

misconduct or, in the case of a criminal matter, acted with knowledge that the Indemnitee's conduct was criminal.

(b) Any amendment, modification or repeal of this **Section 6.2** or any provision hereof shall be prospective only and shall not in any way affect the limitations on the liability of the Indemnitees under this **Section 6.2** as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

**Section 6.3 Duties**.

(a) To the fullest extent permitted by law, including Section 18-1101(c) of the Delaware Act, the Managers (each in his or her capacity as a Manager) shall owe no fiduciary or similar duty or obligation whatsoever to the Company, any Member or other holder of Units or any other Person. Whenever the Board, or any committee thereof, makes a determination or takes or declines to take any other action, then, unless another express standard is provided for in this Agreement (including, for the avoidance of doubt, as provided in the preceding sentence), the Board, or such committee (as the case may be), shall make such determination or take or decline to take such other action in good faith and shall not be subject to any higher standard contemplated hereby or under the Delaware Act or any other law or at equity. A determination, other action or failure to act by the Board or any committee thereof (as the case may be) will be deemed to be in good faith unless the Board or any committee thereof (as the case may be) believed such determination, other action or failure to act was adverse to the interests of the Company. In any proceeding brought by the Company, any Member or any Person who acquires an interest in a Unit or any other Person who is bound by this Agreement challenging such action, determination or failure to act, the Person bringing or prosecuting such proceeding shall have the burden of proving that such determination, action or failure to act was not in good faith. Notwithstanding the foregoing, to the fullest extent permitted by law, including Section 18-1101(e) of the Delaware Act, no Manager shall be liable to the Company, any Member or other holder of Units or any other Person for breach of duties (including fiduciary duties).

(b) To the fullest extent permitted by law, including the Delaware Act, a Person, in performing his or her duties and obligations as a Manager under this Agreement, shall (i) serve in such capacity to represent the interests of the Member that designated such Manager and (ii) be entitled to act or omit to act at the direction of the Member that designated such Person to serve on the Board, considering only such factors, including the separate interests of the Member that designated such Manager and factors specified by such Member, as such Manager chooses to consider. Notwithstanding anything to the contrary, any action of a Manager or failure to act, taken or omitted in good faith reliance on the foregoing provision shall not, as between the Company and the other Members, on the one hand, and the Manager or the Member designating such Manager, on the other hand, constitute a breach of any duty (including any fiduciary or other similar duty, to the extent that such exists under the Delaware Act or any other applicable law, rule or regulation) on the part of such Manager or Member or any other Manager or Member.

(c) To the fullest extent permitted by law, including Section 18-1101(c) of the Delaware Act, and notwithstanding any other duty existing at law or in equity (including any

fiduciary duties), in taking or otherwise consenting to any action pursuant to **Section 5.9**, an Independent Manager shall consider only the interests of the Company (and to the extent the Independent Managers are voting with respect to a Subsidiary, the Subsidiary) and the Class B Preferred Members. Except for duties to the Company (and to the extent the Independent Managers are voting with respect to a Subsidiary, the Subsidiary) and the Class B Preferred Members as set forth in the immediately preceding sentence, an Independent Manager shall not have any fiduciary duties to and shall have no obligation to consider the interests of any other Member or other holder of Units or any other Person. Notwithstanding the foregoing, nothing in this **Section 6.3(c)** shall eliminate the implied contractual covenant of good faith and fair dealing. To the fullest extent permitted by law, including Section 18-1101(e) of the Delaware Act, an Independent Manager shall not be liable to the Company, any Member, Manager, or other holder of Units or any other Person for breach of contract or breach of duties (including fiduciary duties). An Independent Manager is hereby designated as a "manager" within the meaning of Section 18-101(12) of the Delaware Act. Notwithstanding the foregoing, all right, power and authority of an Independent Manager shall be limited to the extent necessary to exercise those rights and perform those duties specifically set forth in this Agreement and an Independent Manager shall otherwise have no authority to bind the Company or any Subsidiary. The Company does not currently have any Subsidiaries; however, in the event a Subsidiary of the Company is formed, an Independent Manager shall have the right to review, modify and approve the organizational documents of the Subsidiary as such documents relate to the duties, rights and authority of the Independent Manager(s).

(d) To the extent that, at law or in equity, a Member (in its capacity as such) or the Class B Representative owes any duties (including fiduciary duties) to the Company, any other Member or other holder of Units or any other Person pursuant to applicable laws or this Agreement such duty is hereby eliminated to the fullest extent permitted pursuant to law, including Section 18-1101(c) of the Delaware Act, it being the intent of the Members that to the extent permitted by law and except to the extent another express standard is specified elsewhere in this Agreement, no Member (in its capacity as such) or the Class B Representative shall owe any duties of any nature whatsoever to the Company, the other Members or any other holders of Units or any other Person, other than the duty of good faith and fair dealing, and each Member and the Class B Representative may decide or determine any matter in its sole and absolute discretion taking into account solely its interests and those of its Affiliates (excluding the Company and its Subsidiaries) and the Class B Preferred Members, as applicable, subject to the duty of good faith and fair dealing. To the fullest extent permitted by law, including Section 18-1101(e) of the Delaware Act, no Member or the Class B Representative shall be liable to the Company, any other Member or other holder of Units or any other Person for breach of duties (including fiduciary duties).

(e) Subject to, and as limited by the provisions of this Agreement, each Officer (in such Person's capacity as an Officer) shall have such fiduciary duties that an officer of the Company would have if the Company were a corporation organized under the laws of the State of Delaware. To the maximum extent permitted by applicable law, no Officer (in such Person's capacity as such) shall be liable to the Company or to any Member for losses sustained or liabilities incurred as a result of any act or omission (in relation to the Company, any transaction, any investment or any business decision or action, including for breach of duties including fiduciary duties) taken or omitted by such Officer (in such Person's capacity as such), unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that,

in respect of such act or omission, and taking into account the acknowledgments and agreements set forth in this Agreement, such Officer (in such Person's capacity as such) would have had such liability for such act or omission that an officer of the Company would have if the Company were a corporation organized under the laws of the State of Delaware.

(f) The provisions of this Agreement, to the extent that they restrict, eliminate or otherwise modify the duties (including fiduciary duties) and liabilities of the Board, the Class B Representative, an officer of the Company or a Member otherwise existing at law, in equity or by operation of the preceding sentences, are agreed by the Company and the Members to replace such duties and liabilities of the Board, the Class B Representative officer or Member. The Members (in their own names and in the name and on behalf of the Company), acknowledge, affirm and agree that (a) none of the Members would be willing to make an investment in the Company or enter into this Agreement in the absence of this **Section 6.3**, and (b) they have reviewed and understand the provisions of Section 18-1101(c) and (e) of the Delaware Act.

(g) Nothing in this Agreement is intended to or shall eliminate any implied contractual covenant of good faith and fair dealing or otherwise relieve or discharge any Member from liability to the Company or the Members on account of any fraudulent or intentional misconduct of such Member.

**Section 6.4 Lack of Authority**. No Member in its capacity as such has any management power over the business and affairs of the Company or the authority or power to act for or on behalf of the Company in any manner or way, to bind the Company, or do any act that would be (or could be construed as) binding on the Company, in any manner or way, or to make any expenditures on behalf of the Company, unless such specific authority and power has been expressly granted to and not revoked from such Member by the Board. The Members hereby consent to the exercise by the Board of the powers conferred on it by law and this Agreement. For the purposes of clarity, nothing in this **Section 6.4** is intended to, and nothing in this **Section 6.4** shall be construed to, derogate from the rights of the Class B Preferred Members expressly contemplated by this Agreement.

**Section 6.5 Business Opportunities**.

(a) During the Non-Compete Period, Nuvve shall, and shall cause each of its Affiliates to, present to the Company all investment or business opportunities that Nuvve or such Affiliate, as applicable, becomes aware of and desires to pursue, to the extent such investment or business opportunity are within the scope of, primarily relate to or compete with, the Business (such investments or business opportunities, "**Business Opportunities**"); provided, that, for the avoidance of doubt, nothing set forth in this Agreement shall prohibit Nuvve or its Affiliates from undertaking investment or business opportunities that are not Business Opportunities, including, for the avoidance of doubt, (i) acquiring, owning, selling, leasing, developing and managing electric buses, vehicles, transportation assets, and related charging infrastructure and ancillary assets that are provided to third parties that are not utilizing financing, leasing or other similar arrangements in respect of such assets (or provided to third parties that are utilizing financing, leasing or other similar arrangements with respect of such assets, so long as such investment or business opportunity does not include participating in or otherwise providing equity, debt or other financing to any entity or other person engaged in the businesses described in clause (a) of the

definition of the "Business"), (ii) Nuvve providing services (including providing grid services and receiving revenues therefrom) to such third parties that are not utilizing financing, leasing or other similar arrangements in respect of such assets (or provided to third parties that are utilizing financing, leasing or other similar arrangements with respect of such assets, so long as such investment or business opportunity does not include Nuvve or its Affiliates participating in or otherwise providing equity, debt or other financing to any entity or other person engaged in the businesses described in clause (a) of the definition of the "Business") (such investment or business opportunities described in clauses (i) and (ii), collectively, the "**Exempted Business Opportunities**") or (iii) Nuvve providing services to the Company pursuant to the DSA.

(b) Nuvve shall, and shall cause each of its Affiliates to, use reasonable best efforts to source and structure each Business Opportunity so that it will constitute a Qualified Opportunity. Each such Business Opportunity will be presented to the Company and the Class B Representative in writing and with reasonable detail as to the nature, terms and other relevant factors relating to such Business Opportunity (including reasonable detail with respect to the satisfaction, as applicable, of each of the applicable qualifying criteria set forth on **Exhibit B** with respect to such Qualified Opportunity), and Nuvve and each such Affiliate, as applicable, shall (x) provide any additional information and reasonable access to all relevant personnel and third party advisors, properties and books and records relating to such Business Opportunity to the extent reasonably requested by the Company or the Class B Representative and (y) notify the Company and the Class B Representative as promptly as reasonably practicable of any changes to the nature, terms or other relevant factors relating to such Business Opportunity. The Board, acting with Special Approval, will determine in good faith whether such Business Opportunity constitutes a Qualified Opportunity and shall provide Nuvve with written notice of its decision of whether such Business Opportunity was determined to be a Qualified Opportunity within ten (10) Business Days (which may be extended as mutually agreed by Nuvve and the Board, acting with Special Approval) following receipt of any such written notice describing such Business Opportunity and all material information reasonably necessary for the Board to evaluate such Business Opportunity (including, for the avoidance of doubt, all information reasonably requested by the Board). Following such determination, the Board, acting with Special Approval, will consider such Business Opportunity and elect to either reject or pursue such Business Opportunity in its sole discretion. Within ten (10) Business Days (which may be extended as mutually agreed by Nuvve and the Board, acting with Special Approval) following delivery of such notice to Nuvve with respect to the determination of whether such Business Opportunity constitutes a Qualified Opportunity and the receipt of all material information reasonably necessary for the Board to evaluate such Business Opportunity (including, for the avoidance of doubt, all information reasonably requested by the Board), or twenty (20) Business Days (which may be extended as mutually agreed by Nuvve and the Board, acting with Special Approval) if Stonepeak provides written notice to Nuvve and the Company prior to the end of such ten (10)-Business Day period (or such longer period as may have been mutually agreed by Nuvve and the Board, acting with Special Approval) that a proposal for the Company to exercise its option with respect to the Business Opportunity has been submitted for consideration to the applicable investment committee or general partner, as applicable, of Stonepeak Infrastructure Partners and such investment committee or general partner is evaluating such Business Opportunity in good faith (such period, the "**Consideration Period**"), the Company shall provide Nuvve with written notice of the Board's decision (acting with Special Approval), in its sole discretion, to either reject or pursue such Business Opportunity and if such Business Opportunity was rejected, whether such rejection

was primarily due to a failure to obtain Special Approval with respect to such Qualified Opportunity (if applicable). Any Business Opportunity that the Company so elects to pursue will hereinafter be referred to as an "**Accepted Opportunity**."

(c) Nuvve shall not, and shall cause its Affiliates not to, directly or indirectly (other than as a direct or indirect equityholder of the Company), individually or on behalf of any Person, company, enterprise, or entity, or as a sole proprietor, partner, equityholder, licensor, director, officer, principal, agent, employee or executive, or in any other capacity or relationship, pursue or participate in any manner (i)(A) in any Accepted Opportunity, or (B) from the date hereof until the earliest to occur of (1) the date that the aggregate Commitment Amount has been funded in full, (2) the end of the Commitment Period, and (3) a Monetization Event (such period in clause (B), the "**Non-Compete Period**"), in any Business Opportunity other than (x) a Rejected Opportunity to the extent permitted by the terms and conditions set forth in this Agreement or (y) a Business Opportunity with respect to the Business solely outside of North America that the Company elects not to participate in, (ii) during the Non-Compete Period, in any request for proposal or other similar process, in each case, with respect to any Exempted Business Opportunity until such request for proposal or other similar process has concluded and the applicable project has been finally awarded, or (iii) during the Non-Compete Period, in any Exempted Business Opportunity unless Nuvve and its Affiliates have used good faith commercially reasonable efforts to provide the Company an opportunity to participate in such financing, leasing or other similar arrangements with respect to such investment or business opportunity as a financing source.

(d) If the Company elects not to participate in any Business Opportunity that was determined to be a Qualified Opportunity as determined by the Board in good faith with Special Approval, primarily due to a failure to obtain Special Approval (a "**Rejected Opportunity**"), then Nuvve or its Affiliates may pursue such Rejected Opportunity for its or their own account without any further involvement of the Company, and in such event the Company shall not have any right or interest in such Rejected Opportunity nor any responsibility for any cost, expense or obligation associated with the further review, pursuit or acquisition by Nuvve or its Affiliates of such Rejected Opportunity. In the event that (i) the material terms (including all terms relating to conditionality, pricing, costs, fees, revenues, quantity or any other economic provision regardless of materiality) of such Rejected Opportunity become, in the aggregate, more favorable to Nuvve or its Affiliate, as applicable, from those contemplated when presented to the Company in writing, or (ii) Nuvve or its Affiliates fails to enter into a definitive agreement relating to such Rejected Opportunity within one hundred and twenty days (120) days after the earlier to occur of (A) the date that Nuvve receives the Company's written notice that it has elected not to pursue such Qualified Opportunity, and (B) the expiration of the applicable Consideration Period, in each case, the procedures set forth in this **Section 6.5** shall once again apply, and Nuvve and its Affiliates may not pursue such Rejected Opportunity without complying with such procedures in full.

(e) The qualifying criteria set forth on **Exhibit B** may only be waived or amended, supplemented or modified by Stonepeak in its reasonable sole discretion, unless such amendment, supplement or modification would reasonably be expected to be adverse to Nuvve as determined by the Board in good faith with Special Approval, which shall also require Nuvve's prior written consent (not to be unreasonably withheld, conditioned or delayed). Nuvve may propose, amendments, supplements or modifications to such qualifying criteria in good faith for

Stonepeak's review, provided, that Stonepeak shall have no obligation to consent to any such proposals.

(f) Nuvve expressly acknowledges and agrees that (i) the covenants contained in this **Section 6.5** are integral to each Member's investment in the Company and each Member would not have entered into this Agreement and the Transaction Documents or consummated the transactions contemplated hereby or thereby without the obligations and restrictions contained in this **Section 6.5**, (ii) each and every one of the obligations and restrictions contained in this **Section 6.5** is reasonable in all respects (including with respect to subject matter, time period and geographical area) and such obligations and restrictions are necessary to protect each Member's interest in, and value of, the Company and the Company's business (including the goodwill inherent therein) and (iii) Nuvve and its Affiliates were significantly responsible for the creation of such value. The Members covenant that neither they nor their respective Affiliates or transferees will challenge the reasonableness or enforceability of any of the terms, conditions, or covenants set forth in this **Section 6.5** and agrees not to, and to cause its employees and Affiliates to not, take any action that would have the effect of circumventing or diminishing each Member's rights hereunder (and the benefit of this **Section 6.5** to each Member). In any action to enforce the provisions of this **Section 6.5**, the substantially prevailing Party will reimburse the other Party for all costs (including reasonable attorneys' fees) incurred in connection with such action.

(g) It is the intention of the Members that if any of the restrictions or covenants contained in this **Section 6.5** is held to cover a geographic area or to be of a length of time that is not permitted by applicable law, or in any way construed to be too broad or to any extent invalid, such provision will not be construed to be null, void and of no effect; instead, the Members agree that a court of competent jurisdiction will construe, interpret, reform or judicially modify this **Section 6.5** to provide for a covenant having the maximum enforceable geographic area, time period and other provisions (not greater than those contained herein) as will be valid and enforceable under such applicable law.

**Section 6.6 Conflicts of Interest**.

(a) Each Member acknowledges that the Stonepeak Fund Parties and Evolve and its Affiliates:

(i) (A) have participated (directly or indirectly) or will continue to participate (directly or indirectly) in private equity, venture capital and other direct investments in corporations, joint ventures, limited liability companies, general partnerships, limited partnerships and other entities, including those engaged in various aspects of the business described in **Section 2.4** ("**Other Investments**") that may be, are or will be competitive with the Business or that could be suitable for the Company or its Subsidiaries, (B) have interests in, participate with, aid and maintain seats on the boards of directors or similar governing bodies of, Other Investments and (C) may develop or become aware of business opportunities for Other Investments; and

(ii) may or will have conflicts of interest or potential conflicts of interest with any of the Company, its Affiliates or other Members as a result of or arising from (A) the matters referenced in **Section 6.6(a)(i)** above, (B) the nature of the Stonepeak Fund Parties' business or the nature of Evolve's and its Affiliates' business and (C) other factors.

(b) Waiver of Conflicts.

(i) Each of the Members (in its own name and in the name and on behalf of each of the Company and its Subsidiaries) expressly waives any such conflicts of interest and agrees that none of the Stonepeak Fund Parties and none of Evolve or its Affiliates shall have any liability to any Member, any Affiliate thereof, or the Company or any of its Affiliates with respect to such conflicts of interest or potential conflicts of interest and acknowledges and agrees that none of the Stonepeak Fund Parties, Evolve and its Affiliates or their respective representatives will have any duty to disclose to the Company, any other Member or the Board any business opportunities, whether or not competitive with the Business and whether or not the Company or any of its Subsidiaries might be interested in such business opportunity for themselves. Each of the Members (and the Members on behalf of the Company and its Subsidiaries) also acknowledges and agrees that the Stonepeak Fund Parties, Evolve and its Affiliates, or their respective representatives have duties not to disclose confidential information of or related to the Other Investments. Each of the Members (in its own name and in the name and on behalf of the Company and its Subsidiaries) hereby:

(A) agrees that (1) the terms of this **Section 6.6** are expressly intended to modify or limit any duties or obligations such Member may have under the Delaware Act or other applicable law, rule or regulation, and to the extent that they modify or limit a duty or other obligation, if any, that any of the Stonepeak Fund Parties or Evolve or any of its Affiliates may have to the Company or another Member under the Delaware Act or other applicable law, rule or regulation, are reasonable in form, scope and content; and (2) the terms of this **Section 6.6** shall control to the fullest extent possible if such terms conflict with a duty or other obligation, if any, that any of the Stonepeak Fund Parties or Evolve or any of its Affiliates may have to the Company or another Member, under the Delaware Act or any other applicable law, rule or regulation;

(B) waives any duty or other obligation, if any, that any of the Stonepeak Fund Parties or Evolve or any of its Affiliates may have to the Company or another Member, pursuant to the Delaware Act or any other applicable law, rule or regulation, to the extent necessary to give effect to the terms of this **Section 6.6**; and

(C) acknowledges and agrees that the Company (on behalf of itself and its Subsidiaries) renounces any interest or expectancy in any business opportunity, transaction or other matter in which any of the Stonepeak Fund Parties or Evolve or any of its Affiliates participates or desires to participate and that involves any aspect related to the business or affairs of any of the Company and its Subsidiaries (each, a "**Renounced Business Opportunity**") and that none of the Stonepeak Fund Parties and none of Evolve or any of its Affiliates shall have any obligation to communicate or offer any Renounced Business Opportunity to the Company, its Subsidiaries or any Member thereof and may pursue any Renounced Business Opportunity solely for its own account.

**Section 6.7 Other Business of Independent Manager.** Notwithstanding any duty otherwise existing at law or in equity, the Independent Manager(s) and any Affiliate of the Independent Manager(s) may engage in or possess an interest in other business ventures of every kind and description, independently or with others. The Company or Member shall not have any

rights in or to such independent ventures or the income or profits therefrom by virtue of this Agreement.

## ARTICLE VII
## BOOKS, RECORDS, ACCOUNTING AND REPORTS; INSPECTION

**Section 7.1 Records and Accounting**. The Company shall keep, or cause to be kept, appropriate books and records with respect to the Company's business, including all books and records necessary to provide any information, lists and copies of documents required to be provided pursuant to **Section 7.2** or pursuant to applicable laws, on an accrual basis in accordance with GAAP. Notwithstanding anything to the contrary in this Agreement, the Board may reasonably limit the right of access of Class D Incentive Unit Members or any other Person to information about the equity holdings of the Class D Incentive Unit Members and restrict access to the books and records of the Company based on ownership of Class D Incentive Units.

**Section 7.2 Information Rights; Reports**.

(a) The Company shall deliver or cause to be delivered to each Member, within seventy-five (75) days after the end of each Fiscal Year, audited consolidated statements of income and cash flows of the Company and its Subsidiaries for such Fiscal Year, and audited consolidated balance sheets of the Company and its Subsidiaries as of the end of such Fiscal Year (collectively, the "**Annual Statements**"). All Annual Statements shall be accompanied by (i) with respect to the consolidated portions of the Annual Statements, an opinion of an independent accounting firm of recognized national standing reasonably acceptable to the Board, (ii) a copy of such firm's annual management letter to the Board or the governing board of directors or managers of any Subsidiary of the Company and (iii) a reasonably detailed description of the business activities that took place during such Fiscal Year and a summary business plan for the Fiscal Year following such Fiscal Year.

(b) The Company shall deliver or cause to be delivered to each Member, within forty-five (45) days after the end of each Fiscal Quarter, unaudited consolidated statements of income and cash flows of the Company and its Subsidiaries for such Fiscal Quarter and for the period from the beginning of the Fiscal Year to the end of such Fiscal Quarter, and unaudited consolidated balance sheets of the Company and its Subsidiaries as of the end of such Fiscal Quarter (collectively, the "**Quarterly Statements**"). All Quarterly Statements shall be accompanied by a reasonably detailed description of the business activities that took place during such Fiscal Quarter and a summary business plan for the Fiscal Quarter following such Fiscal Quarter.

(c) The Company shall deliver or cause to be delivered to each Member, promptly upon completion thereof, but in any event within fifteen (15) days after the end of each month, monthly operating and financial reports prepared by or on behalf of the Company, including with respect to compliance with the then-effective Annual Budget.

(d) The Company shall use commercially reasonable efforts to deliver or cause to be delivered to each Member, (i) not later than forty-five (45) days prior to the end of each Fiscal Year, the Annual Budget prepared on a monthly basis for the Company and its Subsidiaries for the following Fiscal Year, (ii) promptly upon completion or discovery thereof (as applicable),

any other significant budgets prepared by the Company or any of its Subsidiaries, any material revisions of such Annual Budget or such other budgets and any expected deviations from the Annual Budget or such other budgets and (iii) simultaneously with the delivery of any Annual Statements or Quarterly Statements, as applicable, a comparison of (A) such Annual Statements or Quarterly Statements to the Annual Budget or quarterly portion thereof for such Fiscal Year or Fiscal Quarter, as applicable, and (B) the Company's and its Subsidiaries' capital expenditures for such Fiscal Year or Fiscal Quarter to the corresponding Annual Budget or quarterly portion thereof, as applicable.

(e) The Company shall deliver or cause to be delivered to each Class B Preferred Member and each Class C Common Member all material notices, correspondence, reports, instruments, writings, contracts, claims, assertions, demands, records, invoices and other communications delivered or received by the Company or its Subsidiaries, under the DSA promptly upon delivery or receipt thereof by the Company or its Subsidiaries.

(f) The Company shall provide to each Class B Preferred Member and each Common Member reasonable advance notice (if possible, otherwise prompt notice) of any events or actions of the Company and its Subsidiaries that would reasonably be expected to have a material effect on the Company's and its Subsidiaries' financial condition, business or operations;

(g) The Company shall deliver or cause to be delivered to each Member, promptly upon the reasonable request of such Member, such other reports and information (in any form, electronic or otherwise) that are customarily provided to a holder of equity in a similar company and prepared by the Company in the ordinary course or are otherwise not materially burdensome to prepare.

(h) The Company shall deliver or cause to be delivered to each Class B Preferred Member and each Class C Common Member all material notices, correspondence, reports, instruments, writings, contracts, claims, assertions, demands, records, invoices and other communications delivered or received by the Company or its Subsidiaries, in connection with the IP License Agreement or the IP Escrow Agreement promptly upon delivery or receipt thereof by the Company or its Subsidiaries.

**Section 7.3 Inspection by Members**. Except as may be necessary to preserve attorney-client or similar privilege of the Company (as determined in good faith in written correspondence by the Company's legal counsel), any Member, and any accountants, attorneys, financial advisors and other representatives of such Member, may from time to time at such Member's sole expense, visit and inspect the respective properties of the Company or any of its Subsidiaries, examine (and make copies and extracts of) the Company's or any of its Subsidiaries' respective books, records and documents of any kind, and discuss the Company's or any of its Subsidiaries' respective affairs with its employees or independent accountants, all at such reasonable times as such Member may request upon reasonable notice. For avoidance of doubt, nothing in this **Section 7.3** shall impinge upon or interfere with any Manager's right to examine (and make copies and extracts of) the Company's or any of its Subsidiaries' respective books, records and documents or otherwise engage in any visits, inspections, examinations and discussions referenced in this **Section 7.3**.

**Section 7.4 Public Disclosure**. No press release or public announcement related to the Company, any of the Company's Subsidiaries, this Agreement or the transactions contemplated herein or any other announcement or communication shall be issued or made by any Member, a Manager, the Company or any of its Subsidiaries without the advance approval of the Board, with Special Approval, in which case the Board shall be provided a reasonable opportunity to review and provide suggested comments concerning the disclosure contained in such press release, announcement or communication prior to issuance, distribution or publication. The foregoing restriction shall not apply to the extent that the disclosing Member, Manager, the Company or relevant Subsidiary is making such communication pursuant to any of such Person's bona fide financial or public reporting obligations under applicable law, including the rules and regulations of any securities exchange (including reasonable and customary disclosures of non-competitively sensitive information, as determined by such disclosing Person in its reasonable discretion, in response to questions on earnings calls).

## ARTICLE VIII
## TAX MATTERS

**Section 8.1 Preparation of Tax Returns**. The Company shall cause to be prepared and timely filed all necessary federal, state and local tax returns for the Company. The Company shall cause the Company to make the elections described in **Section 8.2** (to the extent applicable). The Company shall provide each Member and, in the case of (b) and (c) below, each Person who was a Member at any time during a Taxable Year, with (a) drafts of all income tax returns the Company is required to prepare at least thirty (30) days prior to the submission of such tax returns to the applicable Governmental Entity and shall incorporate all reasonable written comments into such tax returns, (b) an estimated K-1 no later than sixty (60) days after the end of the applicable Taxable Year, (c) a final K-1 (and any other information necessary for the preparation of such Person's United States federal and state income tax returns) no later than one hundred and forty-five days (145) days after the end of the applicable Taxable Year and (d) information reasonably requested by such Member to allow it to calculate its federal and state quarterly estimated tax payments for the second, third and fourth quarter of the applicable Taxable Year no later than twenty (20) days prior to the due date of the applicable federal quarterly estimated tax payment. The Company shall prepare or cause to be prepared all federal, state and local tax returns of the Company on a timely basis and shall furnish to each Member copies of all tax returns of the Company that are actually filed promptly after their filing. Notwithstanding any of the foregoing to the contrary, the Company may delegate its responsibilities under this **Section 8.1** to any Person that the Board determines is qualified to assume such responsibilities.

**Section 8.2 Tax Elections**. The Taxable Year shall be the Fiscal Year unless the Board shall determine otherwise or as required by law. Except as provided in this **Section 8.2** and subject to **Section 5.1**, the Board shall determine whether to make or revoke any available election pursuant to the Code other than the election to be treated as a partnership for federal income tax purposes. If a distribution of Company property as described in Section 734 of the Code occurs or if a transfer of an "**Interest**", as described in Section 743 of the Code, occurs, on request by notice from the transferring Member (if a transfer) or any Member (if a distribution), the Company will elect, pursuant to Section 754 of the Code, to adjust the basis of Company properties. Each Member will upon request supply any information necessary to give proper effect to any elections made by the Company.

**Section 8.3 Tax Controversies**. Nuvve (or an individual designated by Nuvve) shall be the Partnership Representative for purposes of the Partnership Tax Audit Rules and shall act in such capacity under the direction and supervision of the Board. In addition, the Board is hereby authorized, if there is cause to remove Nuvve (or its designee) as Partnership Representative, to designate any other Person selected by the Board as the Partnership Representative. The Board is also authorized to take, or cause the Company to take, such other actions as may be necessary or advisable pursuant to Treasury Regulations or other guidance to ratify the designation, pursuant to this **Section 8.3**, of Nuvve, its designee or the Person selected by the Board as the Partnership Representative. Each Member agrees to take, such other actions as may be requested by the Board to ratify or confirm any such designation pursuant to this **Section 8.3**. The Partnership Representative is authorized, at the direction of the Board, to make any available election related to Sections 6221 through 6241 of the Code and take any action it deems necessary or appropriate to comply with the requirements of the Code and conduct the Company's affairs under Sections 6221 through 6241 of the Code. Notwithstanding the foregoing provisions of this **Section 8.3**, without modifying or limiting **Section 5.7**, a Member's consent (which shall not be unreasonably withheld, conditioned or delayed) shall be required for any action to be taken by the Partnership Representative and any settlement with a Governmental Entity, in each case that could have a disproportionate adverse effect on such Member. For the avoidance of doubt, all decisions by the Board pursuant to this **Article VIII** shall be subject to **Section 5.7**.

**Section 8.4 83(b) Elections**. As a condition to each individuals' receipt of Class D Incentive Units and admission as a Member, such individual shall make a timely election under section 83(b) of the Code with respect to such Class D Incentive Units. IT IS THE SOLE RESPONSIBILITY OF A CLASS D INCENTIVE UNIT MEMBER, AND NOT THE COMPANY (NOR ANY OF ITS AFFILIATE OR REPRESENTATIVES), TO FILE THE ELECTION UNDER SECTION 83(B) OF THE CODE EVEN IF SUCH MEMBER REQUESTS THE COMPANY OR ANY OF ITS REPRESENTATIVES OR AFFILIATES TO ASSIST IN MAKING SUCH FILING. EACH MEMBER WHO FILES AN ELECTION UNDER SECTION 83(B) OF THE CODE WITH RESPECT TO CLASS D INCENTIVE UNITS SHALL PROVIDE A COPY OF SUCH ELECTION TO THE COMPANY ON OR BEFORE THE DUE DATE FOR THE FILING OF SUCH ELECTION.

## ARTICLE IX
## UNIT TRANSFERS; OTHER EVENTS

**Section 9.1 Transfer Restrictions**.

(a) No Member may Transfer any of its Units (or any of such Member's Remaining Commitment Amount) except in accordance with this **Section 9.1** and, if applicable, **Section 9.7**, **Section 9.8**, **Section 9.9**, **Section 11.1**, **Section 11.2**, and **Section 11.3**.

(b) For so long as any Class B Preferred Units remain issued and outstanding, Nuvve and its Permitted Transferees shall not Transfer, or permit the Transfer of, any of their Class A Common Units in a single transaction or series of related transactions without the prior written consent of the Class B Representative, other than to a Permitted Transferee of Nuvve (provided that, in the case of such a Transfer to a Permitted Transferee that is not already a party hereto, such Permitted Transferee complies with **Section 3.9** and **Section 9.3**).

(c) Subject to **Section 9.8**, the Class B Preferred Members, the Class C Common Members and their respective Permitted Transferees may Transfer any of their Class B Preferred Units (or all or any portion of such Member's Remaining Commitment Amount) or Class C Common Units, as applicable, without the prior written consent of the Board, the Company or any other Member or Person in a single transaction or series of related transactions so long as such Transfer is not to a Competitor.

(d) Any Transfers by holders of Class D Incentive Units may only be made with the prior approval of the Board acting with Special Approval; provided, however, that notwithstanding anything to the contrary herein, a breach of the provisions of **Section 9.1** shall not be deemed to have occurred due to any Permitted Estate Planning Transfer. Notwithstanding anything to the contrary herein, in the event any Permitted Beneficiary acquires Units pursuant to this **Section 9.1(d)** and such Person shall, at any time, cease to be a Permitted Beneficiary of the transferor, then such Person shall be required to promptly Transfer such Person's Units back to the original Transferor.

(e) Notwithstanding anything to the contrary in this **Article IX**, no Transfer of Units (or all or any portion of a Member's Remaining Commitment Amount) shall be permitted if such Transfer would:

(i) violate the then applicable federal or state securities laws or rules and regulations of the Commission, any state securities commission or any other Governmental Entity with jurisdiction over such Transfer;

(ii) terminate the existence or qualification of the Company under the laws of the jurisdiction of its formation;

(iii) cause the Company to be treated as an association taxable as a corporation or otherwise not to be treated as a partnership for U.S. federal income tax purposes;

(iv) cause the Company to be required to register as an investment company under the Investment Company Act, or subject the Company, any of its Subsidiaries to the Investment Advisers Act of 1940, as amended, or the Employee Retirement Income Security Act of 1974, as amended; or

(v) violate any other provision of this Agreement.

(f) Any Transfer of Units in violation of this Agreement or applicable law shall be void *ab initio*, and the Board has the power to rescind such Transfer, and no purported assignee thereof shall have any right to any Profits, Losses or Distributions of the Company.

**Section 9.2 Effect of Transfer**. Any Member who shall Transfer any Units shall cease to be a Member with respect to such Units and shall no longer have any rights or privileges of a Member with respect to such Units. For the avoidance of doubt, this **Section 9.2** shall in no way affect the rights or privileges of a Member with respect to any Units still held by such Member.

**Section 9.3 Additional Restrictions on Transfer**.

(a) Each Transferee of Units (or all or any portion of a Member's Remaining Commitment Amount), as a condition prior to such Transfer, shall execute and deliver to the Company a joinder or counterpart to this Agreement in form and substance reasonably acceptable to the Board pursuant to which such Transferee shall agree to be bound by the provisions of this Agreement.

(b) In connection with the Transfer of any Unit (or all or any portion of a Member's Remaining Commitment Amount), such Member will deliver written notice to the Company describing in reasonable detail the Transfer or proposed Transfer.

(c) No Member shall engage in any action that could reasonably be expected to cause or permit the Transfer of all or any portion of the direct or indirect equity or beneficial interest in such Member by any Person (whether through Transfers or issuances of equity, assignments by operation of law by merger or consolidation of such holder into another entity or dissolution or liquidation of such Member) with the primary intent to avoid the provisions of this Agreement.

(d) In order to permit the Company to qualify for the benefit of a "safe harbor" under Code Section 7704, notwithstanding anything to the contrary in this Agreement, no Transfer of any Unit (or all or any portion of a Member's Remaining Commitment Amount) or economic interest shall be permitted or recognized by the Company or the Board (within the meaning of Treasury Regulations Section 1.7704-1(d)) if and to the extent that such Transfer would cause the Company to have more than 100 partners (within the meaning of Treasury Regulations Section 1.7704-1(h), including the look-through rule in Treasury Regulations Section 1.7704-1(h)(3)).

**Section 9.4 Transfer Fees and Expenses**. The Transferor and Transferee of any Units in the Company shall be jointly and severally obligated to reimburse the Company for all reasonable out-of-pocket expenses (including attorneys' fees and expenses) incurred by the Company for any Transfer or proposed Transfer, whether or not consummated.

**Section 9.5 No Appraisal Rights**. No Member shall be entitled to any valuation, appraisal or similar rights with respect to such Member's Units, whether individually or as part of any class or group of Members, in the event of a merger, consolidation, sale of the Company or other transaction involving the Company or its securities unless such rights are expressly provided by the agreement of merger, agreement of consolidation or other document effectuating such transaction.

**Section 9.6 Transfer Closing Date**. Any Transfer and any related admission of a Person as a Member in compliance with this **Article IX** shall be deemed effective on such date that the Transferee or successor in interest complies with the requirements of this Agreement.

**Section 9.7 Tag-Along Rights**.

(a) Subject to **Section 9.8**, if Nuvve or any of its Permitted Transferees (collectively, a "**Nuvve Selling Member**") proposes to Transfer any of its Class A Common Units in one transaction or a series of related transactions to a third party in a Transfer permitted by

**Section 9.1** (a "**Nuvve Proposed Third-Party Sale**"), then each other Common Member and any of their respective Permitted Transferees (each, a "**Nuvve Tag-Along Member**") shall have a right (a "**Nuvve Tag-Along Right**") to sell such Nuvve Tag-Along Member's pro rata share of the aggregate number of Common Units (or, if applicable, indirect interests) to be Transferred in such Nuvve Proposed Third-Party Sale (the "**Nuvve Offered Interests**"). A Nuvve Tag-Along Member's pro rata share of the Nuvve Offered Interests shall be determined by dividing (i) the number of Common Units held by such participating Nuvve Tag-Along Member by (ii) the number of Common Units held by all participating Nuvve Tag-Along Members and the Nuvve Selling Member (the number of Common Units that may be included in a Transfer by exercise of a Nuvve Tag-Along Right which, for clarity, may be a different class of Common Units as the Offered Interests, the "**Nuvve Tag-Along Units**"). As a result, the number of Common Units the Nuvve Selling Member shall be entitled to Transfer shall be reduced by the aggregate number of Nuvve Tag-Along Units. For the purposes of clarity, it is agreed that the provisions of this **Section 9.7** shall not apply with respect to any Permitted Transfer. For the avoidance of doubt, if the Nuvve Offered Interests are Class A Common Units, each Nuvve Tag-Along Member who hold Class C Common Units may elect to sell its pro rata share of the aggregate number of Common Units to be Transferred.

(b) Subject to **Section 9.8**, if one or more Class B Preferred Members (collectively, a "**Class B Selling Member**") proposes to Transfer any of its Class B Preferred Units in one transaction or a series of related transactions to a third party in a Transfer permitted by **Section 9.1(c)** (a "**Class B Proposed Third-Party Sale**"), then each other Class B Preferred Member and any of their respective Permitted Transferees (each, a "**Class B Tag-Along Member**") shall have a right (a "**Class B Tag-Along Right**") to sell such Class B Tag-Along Member's pro rata share of the aggregate number of Class B Preferred Units (or, if applicable, indirect interests) to be Transferred in such Class B Proposed Third-Party Sale (the "**Class B Offered Interests**"). A Class B Tag-Along Member's pro rata share of the Class B Offered Interests shall be determined by dividing (i) the number of Class B Preferred Units held by such participating Class B Tag-Along Member by (ii) the number of Class B Preferred Units held by all participating Class B Tag-Along Members and the Class B Selling Member (the number of Class B Preferred Units that may be included in a Transfer by exercise of a Class B Tag-Along Right, the "**Class B Tag-Along Units**"). As a result, the number of Class B Preferred Units the Class B Selling Member shall be entitled to Transfer shall be reduced by the aggregate number of Class B Tag-Along Units.

(c) If the Selling Member proposes to make a Proposed Third-Party Sale, the Selling Member shall notify each Tag-Along Member (such notice, a "**Sale Notice**") at least ten (10) Business Days prior to the date of such Transfer. Each Sale Notice shall set forth: (i) a description of the Units to be Transferred pursuant to such Proposed Third-Party Sale; (ii) the identity of the Transferee in such Proposed Third-Party Sale; (iii) the proposed amount and form of consideration and the other material terms and conditions of such Proposed Third-Party Sale being offered by the Transferee; and (iv) if any portion of the consideration to be paid is other than cash, all material information in the Selling Member's possession regarding such non-cash consideration (preceding clauses (i) through (iv), collectively, the "**Third Party Terms**"). The Third Party Terms applicable to the Transfer of any Units or indirect interests therein purchased from the Tag-Along Member pursuant to this **Section 9.7** shall be the same as the terms and conditions applicable to the Transfer of the Units (or indirect interests therein) (including the

amount and form of consideration per Unit to be paid therefor), as applicable, by the Selling Member in the Proposed Third-Party Sale.

(d) The aggregate purchase price paid for the Units (or indirect interests therein), as applicable, in connection with such Proposed Third-Party Sale will be allocated among the Selling Member and the participating Tag-Along Members pro rata in accordance with such Selling Member's and Tag-Along Members' respective Units being Transferred in such Proposed Third-Party Sale.

(e) A Tag-Along Right may be exercised by a Tag-Along Member by delivery of a written notice to the Selling Member (the "**Tag-Along Notice**") within ten (10) Business Days following receipt of the Sale Notice from the Selling Member (the "**Notice Period**"). The Tag-Along Notice shall state the Units or indirect interests therein held by the Tag-Along Member that such Tag-Along Member proposes to include in such Proposed Third-Party Sale and include an offer to sell such Units or indirect interests therein held by the Tag-Along Member on the same terms and conditions as specified in the Sale Notice. If one or more Tag-Along Members deliver a Tag-Along Notice within the Notice Period, then the Selling Member shall be prohibited from selling any of the Offered Interests or indirect interests therein to the proposed Transferee in the Proposed Third-Party Sale unless the Selling Member procures that such Transferee (or its designee) also purchases the applicable Units or indirect interests therein held by the participating Tag-Along Member(s) on the Third Party Terms. If no Tag-Along Member delivers a Tag-Along Notice within the Notice Period, the Selling Member shall thereafter, without again complying with this **Section 9.7**, have the right to sell all (but not less than all) of the Offered Interests to the Transferee within six (6) months after the date of the Sale Notice for a purchase price and on other terms and conditions that, on the whole, are no more favorable to the Selling Member than the Third Party Terms specified in the Sale Notice.

(f) At the closing of a Transfer by the Tag-Along Member to Transferee pursuant to this **Section 9.7** (and after allowing for the expiration or termination of all waiting periods under the HSR Act, if applicable), such Transferee shall remit to each Tag-Along Member (i) the consideration for the Units or indirect interests therein, of the Tag-Along Member Transferred pursuant to this **Section 9.7** *less* (ii) the Tag-Along Member's *pro rata* portion of any such consideration to be escrowed or otherwise held back in accordance with the Third Party Terms. The amount escrowed or held back pursuant to preceding clause (ii) shall be pro rata among all Members that are Transferring the Units or indirect interests therein in such Proposed Third-Party Sale. Additionally, in connection with any such closing of a Transfer by the Tag-Along Member to a Transferee pursuant to this **Section 9.7**, each Tag-Along Member must (x) deliver to the Selling Member certificates (if any) or other evidence of ownership representing such Units or indirect interests therein with instruments of transfer as may be reasonably requested by the Selling Member in such Proposed Third-Party Sale or the Company, and (y) comply with any other conditions to closing applicable to the Selling Member in such Proposed Third-Party Sale. In addition, the Tag-Along Member shall not be required to bear more than its *pro rata* share of all liabilities of the Members Transferring Units or indirect interests therein in such transaction (based on the Units or indirect interests therein Transferred by each of them) for the representations, warranties and other obligations incurred in connection with the transactions contemplated by the Sale Notice (other than with respect to representations and warranties relating to the ownership of the Tag-Along Member's Units or indirect interests therein or otherwise relating solely to the Tag-

Along Member). The consideration paid by the Transferee to the Tag-Along Member pursuant to this **Section 9.7** shall be in the same form and have the same rights as the consideration paid by the Transferee to the Selling Member. All reasonable fees and expenses incurred by the Selling Member (including in respect of financial advisors, accountants and counsel to the Selling Member) in connection with a Transfer pursuant to this **Section 9.7** shall be shared by the Selling Member and each Tag-Along Member *pro rata* in proportion to the consideration received by such Members.

**Section 9.8 Right of First Offer**. If any Member desires to Transfer all or any of such Member's Units to a Person that is not a Permitted Transferee (for purposes of this **Section 9.8**, the Person desiring to so Transfer, the "**Selling ROFO Member**") and the Selling ROFO Member is permitted to Transfer such Units under **Section 9.1** (such Transfer, a "**Proposed Transfer**"), then, in each case, such Selling ROFO Member shall submit a written notice (the "**ROFO Notice**") to each other Member (other than the Class D Incentive Unit Members) (collectively, the "**ROFO Holders**") of its desire to Transfer such Units. Any such ROFO Notice shall provide each ROFO Holder with an opportunity to make a cash offer to purchase the number of Units set forth in the ROFO Notice (the "**ROFO Offered Units**"). Within fifteen (15) days following receipt of the ROFO Notice, any ROFO Holder may deliver to the Selling ROFO Member a binding irrevocable written offer (the "**ROFO Offer**") to purchase all, but not less than all, of the ROFO Offered Units. Any such ROFO Offer shall include the material terms and conditions, including the aggregate cash purchase price (the "**ROFO Offer Price**"), upon which the ROFO Holder is willing to acquire all of the ROFO Offered Units at a closing within five (5) days of the Selling ROFO Member's acceptance of the ROFO Offer upon customary closing conditions. The Selling ROFO Member will have fifteen (15) days following receipt of the ROFO Offer to accept in writing (the "**ROFO Acceptance Notice**") the ROFO Offer and the sale of the ROFO Offered Units pursuant to the terms contained in the ROFO Acceptance Notice. If the Selling ROFO Member timely delivers a ROFO Acceptance Notice, each of the Selling ROFO Member and the ROFO Holder will use reasonable best efforts to consummate the transaction contemplated by the ROFO Offer within sixty (60) days of such acceptance. If the Selling ROFO Member does not timely deliver a ROFO Acceptance Notice or affirmatively declines in writing such ROFO Offer, then the ROFO Holder's offer set forth in the ROFO Offer shall immediately terminate. Upon such termination, the Selling ROFO Member shall have the option for the subsequent six-month period to Transfer such ROFO Offered Units to any Person (subject to compliance by the Selling ROFO Member with **Section 9.7**). Notwithstanding the foregoing, any ROFO Offered Units Transferred pursuant to this **Section 9.8** may not be Transferred to any Person upon terms that are more favorable in the aggregate to the purchasers of such ROFO Offered Units than specified in the ROFO Offer or at a price that is less than the ROFO Offer Price. In the event that the Selling ROFO Member shall not have Transferred all of the ROFO Offered Units within such six-month period, the Selling ROFO Member shall not sell any such ROFO Offered Units without again first offering such Units to the ROFO Holders in the manner provided pursuant to this **Section 9.8**. For the avoidance of doubt, if a Selling ROFO Member is not required to deliver a ROFO Notice in connection with a Transfer of Units, then such Selling ROFO Member shall be permitted to Transfer such Units without complying with the restrictions set forth in this **Section 9.8**. Notwithstanding anything to the contrary in this **Section 9.8**, a Proposed Transfer may not contain provisions related to any property of the Selling ROFO Member other than Units held by the Selling ROFO Member.

**Section 9.9 Drag-Along Rights**. If no Class B Preferred Units are outstanding, and subject to **Section 9.8**, each of Nuvve and Stonepeak, in each of their capacities as a Common Member (so long as such Common Member holds at least twenty percent (20%) of the issued and outstanding Common Units) shall have the right to cause a Monetization Sale (for purposes of this **Section 9.9**, the Person desiring to cause such Monetization Sale, the "**Dragging Member**"); provided, that in order for the Dragging Member to exercise such right, the aggregate proceeds from such Monetization Sale must reasonably be expected to, in the good faith determination of the Dragging Member, be sufficient to cause Stonepeak to achieve a 1.75x MOIC with respect to its Class C Common Units and its prior Class B Preferred Units. The applicable provisions set forth in **Section 11.2** with respect to a Monetization Sale shall apply *mutatis mutandis* to the exercise of the rights set forth in this **Section 9.9**; provided, that the Dragging Member shall control the Monetization Sale process subject to the information and participation rights of the non-exercising Person as set forth in **Section 11.2**.

**Section 9.10 Blocker Corporation Sale**. In connection with any Transfer under this **Article IX**, at the request of Stonepeak (or any Transferee of Stonepeak), the Members and the Company shall structure such Transfer in a manner that results in a disposition of the securities of any Blocker Corporation, rather than a disposition of the Units in the Company owned, directly or indirectly, by such Blocker Corporation, and the owners of such securities of such Blocker Corporation shall be entitled to receive the same portion of the aggregate consideration that such Blocker Corporation would have received had the interests in the Company owned, directly or indirectly, by such Blocker Corporation been Transferred.

**Section 9.11 Forfeiture and Repurchase Rights**

(a) In the event of a Termination (i) by Employer of an Ultimate Employee for Cause or (ii) by an Ultimate Employee at a time when Cause existed (excluding due to such Ultimate Employee's death or Permanent Disability, in which case **Section 9.11(b)** below shall exclusively govern) (clause (i) and (ii) each, a "**Bad Leaver Termination**"), all Class D Incentive Units (whether Vested Class D Incentive Units or Unvested Class D Incentive Units) held of record and beneficially, directly or indirectly, by such terminated Ultimate Employee (or Transferee thereof) shall automatically be cancelled and forfeited without payment of any kind with respect thereto and without any further action by any Person.

(b) In the event of any Termination (x) by Employer of an Ultimate Employee without Cause, (y) due to such Ultimate Employee's death or Permanent Disability, or (z) by such Ultimate Employee at a time when Cause did not exist:

(i) all Unvested Class D Incentive Units held of record and beneficially, directly or indirectly, by such terminated Ultimate Employee (or its Transferees) shall automatically be cancelled and forfeited without payment of any kind in respect thereto and without any further action by any Person; and

(ii) the Company (or its designees) shall have the right (but not the obligation) to purchase from such terminated Ultimate Employee (and, if applicable, its Transferees) all or any portion of the Vested Class D Incentive Units held of record and beneficially, directly or indirectly, by such Ultimate Employee or its Transferees, as applicable

(the "**Subject Units**"), at a repurchase price per Vested Class D Incentive Unit equal to the Fair Value thereof on the date of the Repurchase Notice.

(c) Notwithstanding anything to the contrary herein, all Class D Incentive Units, whether Vested Class D Incentive Units or Unvested Class D Incentive Units, will be subject to automatic forfeiture upon a Ultimate Employee's or its Transferees' breach of (i) any applicable non-competition, non-solicitation, non-disclosure, non-disparagement, confidentiality or other restrictive covenants applicable to the Ultimate Employee (such breach, a "**Covenant Breach**"), whether in favor of the Company, Nuvve, Stonepeak, Evolve or an applicable Affiliate, Subsidiary or other Employer, and whether such breach occurs during the Ultimate Employee's employment or service with the Employer or thereafter, or (ii) this Agreement (such breach, an "**LLCA Breach**").

(d) The Company (or its designees) may exercise the foregoing purchase options, by written notice (each, a "**Repurchase Notice**") to the applicable Ultimate Employee or his, her or its respective Transferees (each, a "**Subject Repurchase Party**") no later twenty-four (24) months (or such longer period as is necessary to avoid adverse accounting consequences) following the applicable Termination (such period, the "**Repurchase Period**"). Each of the Subject Repurchase Parties hereby agrees that the foregoing remedy is a liquidated damage, and not a penalty.

(e) The Company (or its designees) may pay for the Subject Units to be purchased by it pursuant to this **Section 9.11**, to the maximum extent permitted by law, by (i) first, offsetting amounts outstanding under any bona fide debts owed by the Ultimate Employee (or its Transferees as applicable) to the Company or any of its Subsidiaries (including any amounts advanced to the Ultimate Employee (or its Transferees as applicable) during the course of the Ultimate Employee's employment with the Company or any of its Subsidiaries), and (ii) thereafter, paying the remainder of the purchase price by (A) check or wire transfer of immediately available funds, (B) issuing (or causing to be issued and delivering, as applicable) a subordinated promissory note (a "**Repurchase Note**") issued by the Company or any of its Subsidiaries bearing simple interest (payable at maturity) at a rate equal to the Prime Rate (as published in *The Wall Street Journal* as of the closing of such purchase), which will be settled upon the earlier of a Change of Control and seven (7) years from the date of repurchase or (C) any combination of clause (A) and clause (B). Subject to the restrictions in **Section 9.11(d)**, any payment under this **Section 9.11(e)** shall be due and payable no later than sixty (60) days following the date the Company (or its designees), as applicable, elects or is obligated, as the case may be, to purchase the Subject Units under this **Section 9.11**. The Ultimate Employee or Transferee, as applicable, will make customary representations and warranties regarding the sale of the Subject Units, including the representation that the applicable Ultimate Employee and each of its Transferee(s) has good and marketable title to the Subject Units to be Transferred free and clear of all Liens, claims and other encumbrances on the date of the closing of the Transfer. The Class D Incentive Unit Members hereby consent to the taking of any steps by the Company (or its designees purchasing the Subject Units) which they deem are reasonably necessary or convenient to effect any legal formalities in relation to such Transfer, including by delivering and executing all documentation and agreements reasonably required by the Company (or its designees), as applicable, to reflect the repurchase of any Subject Units pursuant to this **Section 9.11**. Notwithstanding the foregoing, no failure of such Subject Repurchase Party, to execute or deliver any such documentation or to deposit the Company's (or

its designees') check or accept the Company (or its Affiliate's) Repurchase Note shall affect the validity of a repurchase of such Class D Incentive Units pursuant to this Agreement. Once the Company (or its designee) has properly made available the consideration to be paid to the Ultimate Employee and its Transferee(s) for the Subject Units to be repurchased in accordance with the provisions of this Agreement, then from and after such time, the Person from whom such Subject Units are to be repurchased shall no longer have any rights as a holder of such Subject Units (other than the right to receive payment of such consideration in accordance with this Agreement), and such Subject Units shall be deemed purchased in accordance with the applicable provisions of this Agreement and the Company (or its designees) shall be deemed the owner and holder of such Subject Units.

(f) Notwithstanding anything to the contrary contained in this Agreement, all repurchases of the Subject Units by the Company (or its designees) shall be subject to applicable restrictions contained in this Agreement, the Securities Act, the Delaware Act and in the Company's and any of its Subsidiaries' debt financing agreements. If any such restrictions prohibit the repurchase of the Subject Units under this Agreement which the Company is otherwise entitled to make, then the Company (or its designees) shall make such repurchases at the applicable purchase price therefore on or before the date that is the later of (i) sixty (60) days following the lapse of such restrictions, or (ii) the time period that would otherwise apply pursuant to this **Section 9.11**.

(g) Notwithstanding anything to the contrary herein, the Company shall have the right by written notice (each, a "**Clawback Notice**") to the applicable Ultimate Employee or his, her or its respective Transferee (each, a "**Clawback Party**") to require such Clawback Party to repay any Distributions, proceeds or other payments made in respect of his, her or its Class D Incentive Units (each, a "**Clawback Payment**") if (i) the Ultimate Employee's Termination occurs other than for Cause, but the Company subsequently determines that grounds for a Bad Leaver Termination existed at the time of such Termination, or (ii) the Ultimate Employee commits a Covenant Breach or an LLCA Breach. The Clawback Party shall make such Clawback Payment within sixty (60) days of receipt of the Clawback Notice.

## ARTICLE X
## DISSOLUTION AND LIQUIDATION

**Section 10.1 Dissolution**. The Company will dissolve and its affairs will be wound up only upon the approval of the Board and the approvals required in accordance with **Section 5.7** or **Section 5.8**.

**Section 10.2 Liquidation and Termination**.

(a) On dissolution of the Company, a majority of the Board may appoint one or more other Persons as liquidator(s). The liquidator(s) will proceed diligently to wind up the affairs of the Company and liquidate the Company's assets and make final distributions as provided in this **Section 10.2**. The costs of liquidation will be borne as a Company's expense. Until final distribution, the liquidator(s) will continue to operate the Company properties with all of the power and authority of the Members. Subject to Section 18-804 of the Delaware Act and **Section 4.3**, the steps to be accomplished by the liquidator(s) are as follows:

(i) The liquidator(s) shall pay, satisfy or discharge from the Company's funds and assets all of the debts, liabilities and obligations of the Company (including all expenses incurred in liquidation) or otherwise make adequate provision for payment and discharge thereof (including the establishment of a cash fund for contingent, conditional or unmatured contractual liabilities in such amount and for such term as the liquidator(s) may reasonably determine in accordance with the Delaware Act).

(ii) The Company will dispose of all remaining assets as follows:

(A) *first*, the liquidator(s) may sell any or all Company property, and any resulting gain or loss from each sale will be computed and allocated to the Members pursuant to **Section 4.5**; and

(B) *second*, Company property will be distributed among the Members in accordance with **Section 4.3**.

**Section 10.3 Cancellation of Certificate**. On completion of the Distribution of the Company's assets as provided herein, the Board (or such other Person or Persons as the Delaware Act may require or permit) shall file a certificate of cancellation with the Secretary of State of Delaware, cancel any other filings made pursuant to this Agreement that are or should be canceled and take such other actions as may be necessary to terminate the Company. The Company shall be deemed to continue in existence for all purposes of this Agreement until the effectiveness of the certificate of cancellation is filed with the Secretary of State of Delaware pursuant to this **Section 10.3**.

**Section 10.4 Reasonable Time for Winding Up**. A reasonable time shall be allowed for the orderly winding up of the business and affairs of the Company and the liquidation of its assets pursuant to **Section 10.2** in order to minimize any losses otherwise attendant upon such winding up.

**Section 10.5 Return of Capital**. The liquidator(s) shall not be personally liable for the return of Capital Contributions or any portion thereof to the Members (it being understood that any such return shall be made solely from the Company's assets).

**Section 10.6 Hart-Scott-Rodino**. If the HSR Act is applicable to any Member, the dissolution of the Company shall not be consummated until such time as the applicable waiting period (and extensions thereof) under the HSR Act have expired or otherwise been terminated with respect to each such Member.

## ARTICLE XI
## REDEMPTION AND EXIT PROVISIONS

**Section 11.1 Redemption of Class B Preferred Units**.

(a) On or at any time following the earliest to occur of (i) the seventh (7th) anniversary of the Execution Date, (ii) a Fundamental Change and (iii) a Trigger Event (so long as such Trigger Event is continuing) (each, a "**Redemption Event**"), Stonepeak shall, on behalf of all holders of Class B Preferred Units, have the right from time to time to elect to cause the

Company, without the consent of any Person, to redeem any issued and outstanding Class B Preferred Units in accordance with each Class B Preferred Member's Class B Preferred Proportional Share, in whole or in part, for cash at a price per Class B Preferred Unit equal to the Preferred Redemption Price as of the date of such redemption, by providing written notice to the Company fifteen (15) days prior to the date on which Stonepeak proposes to effect such redemption; provided, that any single redemption shall not be for an amount less than $10,000,000 million in the aggregate; provided further that any partial redemption of the issued and outstanding Class B Preferred Units pursuant to this **Section 11.1(a)** shall be *pro rata* in accordance with each Class B Preferred Member's Class B Preferred Proportional Share.

(b) On or at any time following the Commitment Period, the Company shall have the right, in its sole discretion, to irrevocably elect to redeem up to 25,000 issued and outstanding Class B Preferred Units, in full, if following such redemption, there are no longer any Class B Preferred Units issued and outstanding, for cash at a price per Class B Preferred Unit equal to the Preferred Redemption Price as of the date of such redemption, by providing written notice to the Class B Preferred Members fifteen (15) days prior to the date on which the Company proposes to effect such redemption. Such written notice shall specify (x) the aggregate number of Class B Preferred Units to be redeemed, (y) the number of such Class B Preferred Units to be redeemed from each Class B Preferred Member and (z) a reasonably detailed calculation of the purchase price payable to such holder in respect of each Class B Preferred Unit.

(c) The Company shall pay the purchase price payable to each Class B Preferred Member under this **Section 11.1** in cash by wire transfer of immediately available funds to an account designated in writing by the applicable Class B Preferred Member upon the applicable redemption date; provided, that such amount may be reduced for any amounts required to be withheld pursuant to applicable tax law.

(d) In connection with any redemption under this **Section 11.1**, at the request of Stonepeak (or any Transferee of Stonepeak), the Members and the Company shall use reasonable efforts to structure such redemption in a manner that results in a disposition of the securities of any Blocker Corporation, rather than a disposition of the Class B Preferred Units in the Company owned, directly or indirectly, by such Blocker Corporation, and the owners of such securities of such Blocker Corporation shall be entitled to receive the same portion of the aggregate proceeds that such Blocker Corporation would have received had the Class B Preferred Units in the Company owned, directly or indirectly, by such Blocker Corporation been redeemed.

(e) For the avoidance of doubt, after all of the issued and outstanding Class B Preferred Units have been redeemed in full in accordance with this **Section 11.1**, the Class B Preferred Units shall have no further economic, consent, or other rights.

**Section 11.2 Monetization Sale**.

(a) At any time following the earliest to occur of (i) the seventh (7th) anniversary of the Execution Date and (ii) a Trigger Event, the Class B Representative shall be entitled to cause a Monetization Sale by providing written notice thereof to the Company and the other Members; provided, that in order for the Class B Representative to exercise its election with respect to clause (i) above, the aggregate proceeds from such Monetization Sale must reasonably

be expected to, in the good faith determination of the Class B Representative, result in aggregate distributions or payments to the Class B Preferred Members (inclusive of Preferred Distributions and any other distributions (other than Tax Distributions), in each case, previously paid in cash), sufficient to cause the Class B Preferred Members to achieve a price per Class B Preferred Unit equal to the Preferred Redemption Price as of the date of such consummation; provided, further, that in order for the Class B Representative to exercise its election hereunder, a Trigger Event must be continuing, unless at the time such Trigger Event is no longer continuing, the Company has already initiated a sale process or conversion or other reorganization. The Members and Board agree to facilitate, as reasonably requested by the Class B Representative, any such Monetization Sale.

(b) If the Class B Representative elects to cause the Company to effect any Monetization Sale, the Class B Representative may identify, negotiate, structure and otherwise pursue the Monetization Sale, including causing the Company to engage an investment banker and other advisors (including legal counsel). Any such Monetization Sale may be structured and accomplished as determined by the Class B Representative in its sole discretion, whether as a merger, consolidation, sale of all or any portion of the Units, corporate reorganization, sale of assets or otherwise. The Class B Representative shall have the right to cause the conversion or other reorganization of the Company into a successor entity and to take other internal restructuring steps as may be reasonably necessary to effect such a Monetization Sale, and, at the request of the Class B Representative, the Company and the Members shall reasonably cooperate in such conversion, reorganization or internal restructuring, including, in connection with a Monetization Sale structured as a sale of the Units of the Company, to structure such transaction in a manner that results in a disposition of the securities of any Blocker Corporation, rather than a disposition of the interests in the Company owned, directly or indirectly, by such Blocker Corporation, in which case, the owners of such securities of such Blocker Corporation shall be entitled to receive the same portion of the aggregate consideration that such Blocker Corporation would have received had the interests in the Company owned, directly or indirectly, by such Blocker Corporation been sold. Any such Monetization Sale shall be effected on the terms and conditions negotiated by the Class B Representative, including any terms imposing on the Members' obligations with respect to reasonable and customary indemnities, escrows, holdbacks or other contingent obligations that are applicable to all Members equally. Notwithstanding the foregoing, in connection with any Monetization Sale, no Member (other than a Class D Incentive Unit Member) shall be required to agree to any restrictive covenants, including non-competition or other restrictions affecting the operation of such Member's or its Affiliates' respective businesses. In connection with any Monetization Sale, if requested by the Class B Representative, each of the Members shall waive any dissenters' rights, appraisal rights or similar rights that such Member may have in connection therewith. If a Class D Incentive Unit Member holding Class D Incentive Units receives any Distributions with respect to a Class D Incentive Unit as a result of such Monetization Sale (or would be entitled to receive such Distributions if such proceeds were distributed immediately following the consummation of such Monetization Sale), then such Class D Incentive Unit Member (or its Ultimate Employee) may be required to enter into a non-competition agreement with a duration of two (2) years from the date of the consummation of such Monetization Sale and a geographic scope consistent with, and otherwise on terms no more restrictive than, such Class D Incentive Unit Member's (or its Ultimate Employee's) Employment Agreement or Award Agreement, as applicable.

(c) If the Class B Representative elects to cause the Company to effect any Monetization Sale, then Nuvve and its Affiliates shall use their commercially reasonable efforts to obtain as promptly as practicable: (i) the consents or amendments required under the applicable contracts and leases to which Nuvve or any of its Affiliates is a party that would be necessary to effect such Monetization Sale; and (ii) the consents or amendments to, or the direct assignment of, any purchase, marketing, sales or other contract as necessary to effect such Monetization Sale. In addition, Nuvve and its Affiliates shall use their commercially reasonable efforts in order to provide any potential acquirer in a Monetization Sale with reasonable access upon at least five (5) days' notice to all reasonably necessary information and properties at reasonable times during normal business hours to permit it to perform due diligence with respect to the proposed Monetization Sale, including access to contracts and assets, but only to the extent that such access is requested prior to the closing of such Monetization Sale. If so requested by Nuvve or its Affiliates, such potential acquirer shall be required to enter into a customary confidentiality agreement and may be required to enter into customary access agreements prior to being provided with such access.

(d) The Class B Representative shall regularly consult and reasonably cooperate with the Board and other Members with respect to the status of the sale or marketing process for such Monetization Sale. Notwithstanding the foregoing, the Board and Nuvve (and its Affiliates) shall have no consent, voting or appraisal rights with respect to the final terms of a Monetization Sale and shall have no right to object to a Monetization Sale, except to the extent that such Monetization Sale is not in accordance with this Agreement.

(e) With full power of substitution and re-substitution, each other Member hereby makes, constitutes and appoints the Class B Representative its true and lawful attorney, for it and in its name, place and stead and for its use and benefit, to act as its proxy in respect of any vote or approval of Members required to give effect to a Monetization Sale in accordance with this **Section 11.2** and to sign, execute, certify, acknowledge, swear to, file, and record any instrument that is now or may hereafter be deemed necessary by the Class B Representative in its reasonable discretion to carry out fully the provisions and the agreement, obligations, and covenants of such Member in connection with a Monetization Sale. The power of attorney granted pursuant hereto is a special power of attorney, coupled with an interest, and is irrevocable, and shall survive the bankruptcy, insolvency, dissolution or cessation of existence of the applicable Member.

(f) Each of the Members required to participate in a Monetization Sale (collectively, the "**Participating Members**"), whether in its capacity as a Participating Member, Member or otherwise, and the Company, its Subsidiaries and the Board, shall take or cause to be taken all such actions as may be reasonably necessary or desirable in order expeditiously to consummate such Monetization Sale and any related transactions, including (i) making reasonable and customary representations and warranties, (ii) executing, acknowledging and delivering consents, assignments, waivers and other documents or instruments, of the type and on terms that are customary or required for the type of transaction contemplated, (iii) furnishing information and copies of documents that are within their possession or control and are related to the Company or its Business, subject in each case to reasonable confidentiality requirements of the furnishing Participating Member, (iv) filing applications, reports, returns, filings and other documents or instruments with Governmental Entities that are customary or required for the type of transaction contemplated, (v) engaging an investment banker and other advisors (including legal counsel) by

the Company in connection with such Monetization Sale, (vi) causing employees and other representatives of the Company or its Subsidiaries to cooperate (including by participating in management presentations, preparing marketing materials and making diligence materials available in an electronic data room) with the Class B Representative in any marketing process in connection with any proposed Monetization Sale, and (vii) otherwise using reasonable best efforts to fully cooperate with the Class B Representative. Without limiting the generality of the foregoing, each Participating Member agrees to execute and deliver such agreements as may be reasonably specified by the Class B Representative to which all Participating Members will also be party, including agreements to (x) make reasonable and customary individual representations, warranties, covenants and other agreements as to the unencumbered title to its Units and the power, authority and legal right to Transfer such Units, (y) provide other reasonable and customary representations, warranties and indemnities, provided that such representations, warranties, and indemnities shall be several (on a pro rata basis in proportion to the related consideration to be received by the Company or its Members in the Monetization Sale) and not joint, and (z) be severally liable (on a pro rata basis in proportion to the related consideration to be received by the Company or its Members in the Monetization Sale) (whether by purchase price adjustment, escrows, holdbacks, indemnity payments, contingent obligations or otherwise). In addition any escrow of proceeds of any such transaction shall be withheld on a pro rata basis among all Participating Members (in proportion to the relative consideration to be received by each Member in connection with such Monetization Sale).

(g) Upon the occurrence of any Monetization Sale, the Class B Representative shall have the right to cause (including Nuvve and its Affiliates, as applicable) (i) each of the Transaction Documents then in effect to remain in effect after the consummation of such Monetization Sale or (ii) Nuvve and its Affiliates, as applicable, to consent to the assignment of the Transaction Documents, as required, to an acquirer in such Monetization Sale, as applicable, and Nuvve will take all necessary or useful actions to effectuate the foregoing.

(h) The closing of a Monetization Sale shall take place at such time and place as the Class B Representative shall specify by notice to each Participating Member no later than five (5) Business Days prior to the closing of such Monetization Sale. At the closing of a Monetization Sale, each Participating Member shall deliver any documentation evidencing the Units to be sold (if any) by such Participating Member and the assignment thereof, free and clear of any liens, against delivery of the applicable consideration.

(i) After deductions for (a) amounts paid into escrow or held back, in the reasonable determination of the Class B Representative, for indemnification or post-closing expenses, if any, subject to **Section 11.2(f)**, and (b) amounts subject to post-closing purchase price adjustments, if any (provided that, upon the determination of such purchase price adjustments, indemnification or post-closing expenses and upon release of any such escrow or hold back, as applicable, the remaining amount of the consideration to be received by the Company or its Members in the Monetization Sale, if any, shall be distributed to the Participating Members so that the total amount distributed is in accordance with the order of priority set forth in **Section 4.3**), the proceeds of any Monetization Sale shall be distributed to the Participating Members in accordance with the order of priority set forth in **Section 4.3** (for the avoidance of doubt, differences in Threshold Values or Retained Distributions, if any, with respect to Class D Incentive Units will be

taken into account) treating all Unvested Class D Incentive Units as if vested and assuming all Retained Distributions will be allocated pursuant to **Section 4.4(c)**.

(j) Each of the Members shall bear his, her or its *pro rata* share (based upon the allocation set forth in **Section 4.3(b)** by treating the costs as reducing the amount of Distributions pursuant to **Section 4.3(b))** of the fees and expenses incurred in the Monetization Sale to the extent such costs are incurred for the benefit of all Members and are not otherwise paid by the Company or the acquiring party. Notwithstanding anything to the contrary, for purposes of this **Section 11.2(j)**, fees, costs and expenses incurred by the Company in connection with the consummation of a Monetization Sale in accordance with this **Section 11.2** shall be deemed to be for the benefit of all Members for purposes of this **Section 11.2(j)** whether or not the Monetization Sale is consummated. Other fees, costs and expenses incurred by the Members on their own behalf will not be considered costs of the transaction hereunder.

**Section 11.3 IPO; Conversion to a Corporation**.

(a) At any time following the earliest to occur of (i) the third (3rd) anniversary of the Execution Date, (ii) the date that the Company has entered into contracts with third parties in accordance with this Agreement (including, for the avoidance of doubt, with Special Approval) to spend at least five hundred million dollars ($500,000,000) in aggregate of capital expenditures and (iii) a Trigger Event, the Class B Representative shall be entitled to cause an IPO by providing written notice thereof to the Company and the other Members; provided, that in order for the Class B Representative to exercise its election with respect to this **Section 11.3(a)** due to the occurrence of a Trigger Event, such Trigger Event must be continuing, unless the Company has already initiated an IPO process or conversion or other reorganization in connection with such IPO.

(b) In connection with an IPO, the Class B Representative (by written direction to the Company) may (but shall not be obligated to) (i) cause the conversion of all or any portion of the Company or Controlled Affiliate of the Company into a corporation, by (A) the Transfer of all of the assets of the Company, subject to the Company's liabilities, or the Transfer of any portion of such assets and liabilities, to one or more corporations in exchange for shares of any such corporations and the subsequent distribution of the cash proceeds following the sale of such shares in accordance with the provisions of this Agreement, at such time as the Class B Representative may determine, to the Members, (B) the conversion of the Company or a Controlled Affiliate of the Company into a corporation pursuant to Section 18-216 of the Delaware Act (or any successor section thereto), (C) the Transfer by each Member of Units held by such Member to one or more corporations in exchange for shares of any such corporation (including by merger of the Company into a corporation), or (D) by filing an election pursuant to Treasury Regulation Section 301.7701-3(c) or (ii) cause the Company to use any other structure or means by which to effect an IPO, including, as necessary, to effectuate an "Up-C" structure, or by the conversion of the Company or any portion of the Company or any Controlled Affiliate of the Company into one or more corporations, limited liability companies, limited partnerships or other business entities (any such conversion or other means described in subclauses (i) or (ii), a "**Reorganization**" and the resulting entity (whether the Company or a Subsidiary or other Affiliate of the Company or any successor thereto) whose Equity Securities are sold in the IPO, the "**IPO Issuer**"); provided, however, that in connection with any Reorganization, to the extent feasible, each Common Member (in its capacity as a Common Member) and each Class B Preferred Member (in its capacity as a Class B

Preferred Member) shall retain its respective rights, obligations and privileges relative to each of the other Common Members (in their respective capacities as Common Members) and each of the other Class B Preferred Members (in their respective capacities as Class B Preferred Members), respectively, as set forth in this Agreement. The Members shall take all actions reasonably requested by the Class B Representative in connection with the consummation of such Reorganization, including consenting to, voting for and waiving any dissenters' rights, appraisal rights or similar rights and participating in any exchange or other transaction required in connection with such Reorganization. No Member shall have any right to vote, consent to or approve any Reorganization. The Company shall pay any and all reasonable organizational, legal and accounting expenses and filing fees incurred by the Company or the Members in connection with such Reorganization.

(c) In connection with any Reorganization involving a Transfer of Units, each holder of Units agrees to the Transfer of its Units in accordance with the terms of conversion or exchange, as applicable, as provided by the Class B Representative. In connection with any such Reorganization, each holder of Units shall receive, in exchange for the Units held by such holder, capital stock, options or other securities with substantially similar economic and other rights, privileges and preferences as the Units being exchanged had prior to the consummation of such Reorganization as reasonably determined by the Class B Representative and taking into account the equity value of the IPO Issuer implied by the price and amount of securities sold in the IPO. Each holder of Units further agrees that as of the effective date of such conversion or exchange any Unit outstanding thereafter that shall not have been tendered for conversion or exchange shall represent only the right to receive the amount of shares, options or other securities as provided in the terms of such conversion or exchange.

(d) The Class B Representative shall have the right to control the IPO, including in respect of the preparation, negotiation, structuring and documentation of the IPO; provided, however, that any Member that sells shares or securities in the IPO on a secondary basis may determine the price at which to sell such shares or securities. Each of the Members shall take all necessary or desirable actions reasonably requested by the Class B Representative in connection with the consummation of an IPO, including compliance with the requirements of all laws and regulatory bodies that are applicable or that have jurisdiction over such IPO. If such IPO is an underwritten offering:

(i) and the managing underwriters advise the Company in writing that in their opinion the Company's capital structure would adversely affect the marketability of the offering, each Member shall consent to and vote for a recapitalization, reorganization or exchange (each, a "**Recapitalization**") of any class of the Company's Equity Securities into securities that the managing underwriters and the Class B Representative find reasonably acceptable and shall take all necessary and desirable actions in connection with the consummation of such Recapitalization; provided, however, that each holder of a class of Units shall receive the same type of security with respect to such Units and shall be subject to the same restrictions on lock-up and transferability unless otherwise agreed to by the Members; and

(ii) if requested by the managing underwriters, each of the Members shall execute customary lock-up agreements with respect to their Units or any securities received by them in any attendant Reorganization or Recapitalization.

(e) Upon the occurrence of an IPO, the Class B Representative shall have the right to cause (including Nuvve and its Affiliates, as applicable) (i) the Transaction Documents to remain in effect after the consummation of such IPO or (ii) Nuvve and its Affiliates, as applicable, to consent to the assignment of the Transaction Documents, as required, to the IPO Issuer, as applicable, and Nuvve will take all necessary or useful actions to effectuate the foregoing.

(f) Without limiting the foregoing, at the request of Stonepeak (or any Transferee of Stonepeak), the IPO shall involve the merger or consolidation of any Blocker Corporation into the IPO Issuer in a transaction intended to qualify as a tax-free reorganization or contribution, the utilization of such Blocker Corporation as the IPO Issuer or otherwise structuring the transaction so that the Blocker Corporation is not subject to a level of corporate tax on the IPO or subsequent dividend payments or sales of shares, and the Company and the Members shall reasonably cooperate in connection with effectuating the foregoing. In connection with any such transaction, the owners of securities of such Blocker Corporation shall be entitled to receive the same portion of the aggregate consideration that such Blocker Corporation would have received in the event that the IPO did not involve any of the foregoing structures with respect to such Blocker Corporation.

(g) At or prior to the consummation of an IPO, the IPO Issuer and holders of Registrable Securities shall enter, and the Members shall cause the IPO Issuer to enter, into a registration rights agreement in customary form providing for registration rights of Registrable Securities, which registration rights agreement shall include provisions incorporating, among other terms: (i) demand registration rights in favor of the holders of Registrable Securities; (ii) the obligation of the IPO Issuer to file a "shelf" registration statement as soon as practicable following the consummation of the IPO, which registration statement shall include in such registration all Registrable Securities; (iii) "piggyback" registration rights in favor of the holders of Registrable Securities; (iv) customary provisions in respect of priority in demand and "piggyback" registrations; (v) customary provisions obligating the IPO Issuer to bear all reasonable fees and expenses relating to the registration of Registrable Securities, other than (A) any fees or expenses of any counsel retained by a holder of Registrable Securities and (B) any underwriter's fees, including discounts and commissions, related to the distribution of Registrable Securities not sold by the IPO Issuer; and (vi) customary indemnification provisions.

(h) With full power of substitution and re-substitution, each other Member hereby makes, constitutes and appoints the Class B Representative as its true and lawful attorney, for it and in its name, place and stead and for its use and benefit, to act as its proxy in respect of any vote or approval of Members required to give effect to a Reorganization in accordance with this **Section 11.3** and to sign, execute, certify, acknowledge, swear to, file, and record any instrument that is now or may hereafter be deemed necessary by the Class B Representative in its reasonable discretion to carry out fully the provisions and the agreement, obligations, and covenants of such Member in connection with a Reorganization. The power of attorney granted pursuant hereto is a special power of attorney, coupled with an interest, and is irrevocable, and shall survive the bankruptcy, insolvency, dissolution or cessation of existence of the applicable Member.

## ARTICLE XII
## MISCELLANEOUS PROVISIONS

**Section 12.1 Addresses and Notices**. Except as expressly set forth to the contrary in this Agreement, any notice or other communication provided for or permitted to be given pursuant to this Agreement by a Member to any other Member must be in writing and duly given (a) one (1) Business Day after being deposited with a nationally recognized overnight delivery service company that tracks deliveries, addressed to such other Member, with overnight service guaranteed, all charges paid and proof of receipt requested, (b) when delivered in person to such other Member or (c) when sent via email (utilizing the delivery receipt, read receipt or similar function), on the date sent by e-mail if sent before 5:00 p.m., New York time, and on the next business day if sent after such time. All notices, requests and consents to be sent to a Member must be sent to or made at the address given for that Member on the Schedule of Members, or such other address as that Member may specify by notice given the other Members in accordance with this **Section 12.1** or in the applicable Award Agreement (in the case of a Class D Incentive Unit Member). Any notice, request or consent to the Company or the Board must be given to the Board or, if appointed, the secretary of the Company at the Company's chief executive offices. Whenever any notice is required to be given by law or this Agreement, a written waiver thereof, signed by the Person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

**Section 12.2 Confidentiality**.

(a) Each Member recognizes and acknowledges that it has received and may in the future receive certain confidential and proprietary information and trade secrets of the Company and its Subsidiaries and the Members (including their respective predecessors and Affiliates) (such information, and including this Agreement and the other Transaction Documents, the "**Confidential Information**"). Except as otherwise consented to by the Company in writing (or in the case of Confidential Information of a Member, such Member), each Member agrees that it will not, during or after the term of this Agreement, whether directly or indirectly through an Affiliate or otherwise, use any Confidential Information for any purposes other than in connection with its investment in the Company or disclose any Confidential Information for any reason or purpose whatsoever, except for disclosures: (i) to authorized directors, managers, officers, representatives, agents and employees of such Member or its Affiliates, the Company or its Subsidiaries and as otherwise may be proper in the course of performing such Member's obligations, or enforcing such Member's rights, under this Agreement and the agreements expressly contemplated hereby, provided, that each such Person is informed of the confidential nature of such Confidential Information, agrees to hold such Confidential Information confidential and that the disclosing Member remains liable for any breach of this provision by such Persons; (ii) made by Stonepeak or Evolve to its limited partners, owners, co-investors, general partners and prospective investors; provided that if such limited partners, owners, co-investors, general partners and prospective investors are receiving Confidential Information (other than with respect to high-level summary information regarding the Company's operations), such receiving Person shall be subject to confidentiality provisions at least as restrictive as the confidentiality obligations contained in this Agreement; (iii) to any bona fide prospective purchaser of the equity or assets of the Company or its Affiliates or the Units held by such Member, to prospective financing sources, or a prospective merger partner of such Member, the Company or any of their respective Affiliates

and, except in connection with transactions where the holders of Class B Preferred Members do not require the approval of the Board to Transfer Units, following prior written notice of such disclosure to the Company, provided, that such purchaser, financing sources, or merger partner agrees in writing to be bound by the provisions of this **Section 12.2** or other confidentiality agreement that includes confidentiality and use provisions at least as restrictive as the provisions in this Agreement; (iv) to attorneys, accountants and other professionals of such Member or its Affiliates who need to know such Confidential Information in order to perform services for such Member or Affiliate; (v) as is required to be disclosed by order of a court of competent jurisdiction, administrative body or governmental body, or by subpoena, summons or legal process, or by law, rule or regulation; and (vi) as required to be disclosed in accordance with any securities law or other legal requirement. In the event of a disclosure required by the foregoing clause (v), the Member shall provide to the Company (or in the case of Confidential Information of a Member, such Member) prompt notice of any such requirement to enable the Company or such Member to seek an appropriate protective order or confidential treatment and shall disclose only that portion of such Confidential Information so required to be disclosed. Notwithstanding the prior sentence, no such opportunity shall be afforded in the case of a routine audit or examination by, or a blanket document request from, a governmental or regulatory entity that does not reference the Company, any other Member or this Agreement or if notifying the Company or such Member in advance of such disclosure is prohibited by applicable law. For purposes of this **Section 12.2**, the term "**Confidential Information**" shall not include any information which (x) a Person learns from a source other than the Company or its Subsidiaries, or any of their respective representatives, employees, agents or other service providers, (y) is disclosed to the public or is available in the public domain or (z) was in a Person's possession prior to disclosure hereunder; provided such information is not known by such Person to be subject to an obligation of confidentiality owed to the other Members.

(b) Notwithstanding the preceding provisions of this **Section 12.2** or any other provision of this Agreement: (i) no Class D Incentive Unit Member shall be prevented from, nor shall a Class D Incentive Unit Member be criminally or civilly liable under any federal or state trade secret law for, making a disclosure of trade secrets or other confidential information that is: (A) made (x) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and (y) solely for the purpose of reporting or investigating a suspected violation of applicable law; (B) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; or (C) protected under the whistleblower provisions of applicable law; and (ii) in the event a Class D Incentive Unit Member files a lawsuit for retaliation by the Company or its Subsidiaries for such Class D Incentive Unit Member's reporting of a suspected violation of law, such Class D Incentive Unit Member may, (A) disclose a trade secret to such Class D Incentive Unit Member's attorney and (B) use the trade secret information in the court proceeding related to such lawsuit, in each case, if such Class D Incentive Unit Member (x) files any document containing such trade secret under seal; and (y) does not otherwise disclose such trade secret, except pursuant to court order.

**Section 12.3 Fees and Expenses**. On the date Stonepeak and Evolve fund their respective initial Capital Contributions to the Company, the Company shall reimburse the Members as follows: (i) Nuvve and its Affiliates, for all reasonable out-of-pocket expenses (including legal and accounting fees) incurred after February 11, 2021 and through the Execution Date in connection with the due diligence, documentation and negotiation of the Transaction

Documents, up to and not to exceed $1,000,000, (ii) Stonepeak for its reasonable out-of-pocket expenses (including legal and accounting fees) incurred after February 11, 2021 and through the Execution Date in connection with the due diligence, documentation and negotiation of the Transaction Documents, (x) fifty percent (50%) of such expenses with respect to the first $1,800,000 and (y) one hundred percent (100%) of such expenses thereafter and (iii) Evolve for its reasonable out-of-pocket expenses (including legal and accounting fees) incurred after May 6, 2021 and through the Execution Date in connection with the due diligence, documentation and negotiation of the Transaction Documents, (x) fifty percent (50%) of such expenses with respect to the first two hundred thousand dollars ($200,000) and (y) one hundred percent (100%) of such expenses thereafter; provided, that any amounts reimbursed by the Company to Stonepeak or Evolve shall, at the option of Stonepeak or Evolve, as applicable, be netted from amounts contributed or payable to the Company under this Agreement. From and after the Execution Date until the date on which the Class B Preferred Units and Class C Common Units held by Stonepeak and Evolve or their respective Permitted Transferees, as applicable, are redeemed in full hereunder, the Company shall reimburse Stonepeak and Evolve for all documented reasonable out-of-pocket third party costs, fees and expenses incurred by Stonepeak and Evolve from time to time in responding to any request for approval under this Agreement, monitoring or enforcing its rights under this Agreement and/or amending this Agreement.

**Section 12.4 Amendments**. Except for amendments authorized by **Section 3.1(b)**, this Agreement and any provision hereof may be amended, waived (except as otherwise provided herein), or modified from time to time only by a written instrument signed by: (a) the Members holding a majority of the Class A Common Units, (b) the Members holding a majority of the Class B Preferred Units, and (c) the Members holding a majority of the Class C Common Units. Notwithstanding the foregoing, (i) any amendment or modification modifying the rights or obligations of any Member in a manner that is disproportionately adverse to (A) such Member relative to the rights of other Members in respect of Units of the same class or series shall be effective only with that Member's consent or (B) a class or series of Common Units relative to the rights of another class or series of Common Units shall be effective only with the consent of the Members holding a majority of the Units in that class or series and (ii) (A) any amendment to this Agreement that materially and disproportionately adversely affects the Class D Incentive Unit Members (as compared to the other Members) shall also require the consent of the holders of a majority of the Class D Incentive Unit Member and (B) any amendment to this Agreement that materially and disproportionately adversely affects a specific Class D Incentive Unit Member (as compared to the other Class D Incentive Unit Members) shall also require the consent of the specific Class D Incentive Unit Member.

**Section 12.5 Remedies**. Each Member and the Company agrees that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that monetary damages, even if available, would not be an adequate remedy. It is accordingly agreed that each Member and the Company shall be entitled to an injunction, specific performance and other equitable relief to prevent breaches (or threatened breaches) of this Agreement and to enforce specifically the performance of the terms and provisions hereof, without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach and without the necessity to post any bond or other security in connection with any such order or injunction, this being in addition to any other remedy to which any Member is entitled to at law or in equity.

**Section 12.6 Successors and Assigns**. All covenants and agreements contained in this Agreement shall bind and inure to the benefit of the Members and their respective heirs, executors, administrators, successors, legal representatives and permitted assigns, whether so expressed or not.

**Section 12.7 Severability**. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse to any Member. Upon such a determination, the Members shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Members as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the fullest extent possible. It is the intention of the Members that if any of the restrictions or covenants contained in this Agreement is held to cover a geographic area or to be of a length of time that is not permitted by applicable law, or in any way construed to be too broad or to any extent invalid, such provision will not be construed to be null, void and of no effect; instead, the Members agree that a court of competent jurisdiction will construe, interpret, reform or judicially modify this Agreement to provide for a covenant having the maximum enforceable geographic area, time period and other provisions (not greater than those contained herein) as will be valid and enforceable under such applicable law.

**Section 12.8 Counterparts; Binding Agreement**. This Agreement may be executed in any number of counterparts, each of which, when so executed, shall be deemed to be an original and all of which, taken together, shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by e-mail or other electronic transmission (including ".pdf" or ".tif" format) shall be as effective as delivery of an original executed counterpart of this Agreement. This Agreement shall be binding upon and inure solely to the benefit of each Member and its successors and permitted assigns and each person who may from time to time become a party to this Agreement by executing a counterpart of or joinder to this Agreement and nothing in this Agreement, express or implied, is intended to or shall confer upon any other individual, entity or other person any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement; provided, that any individual, entity or other person other than the Members shall be an express third-party beneficiary of **Section 12.19**.

**Section 12.9 Creditors**. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company or any of its Affiliates. No creditor of the Company or any of its Affiliates may, as a result of making a loan to the Company or any of its Affiliates, acquire at any time any direct or indirect interest in the Company's Profits, Losses, Distributions, capital or property, other than as a secured creditor (except pursuant to the terms of a separate agreement executed by the Company in favor of such creditor). For the purposes of clarity, this **Section 12.9** shall not be construed to derogate from the rights of the Class B Preferred Members under this Agreement.

**Section 12.10 No Waiver**. Any agreement on the part of any Member to any waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Member. No failure

or delay on the part of any Member in the exercise of any right hereunder shall impair such right or be construed as a waiver of, or acquiescence in, any breach of any agreement herein, nor shall any single or partial exercise of any such right preclude other or further exercise thereof or of any other right.

**Section 12.11 Further Action**. The Members agree to execute and deliver all documents, provide all information and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

**Section 12.12 No Offset Against Amounts Payable**. No amounts that any Member or any of its Affiliates or related Person owes or is alleged to owe to the Company or any of its Subsidiaries may be offset or deducted against any payments owed by the Company or its Subsidiaries.

**Section 12.13 Entire Agreement**. This Agreement, the other Transaction Documents, that certain Non-Disclosure Agreement by and between Stonepeak and Nuvve Corporation, a Delaware corporation (the "**NDA**"), and that certain joinder to the NDA by and between Stonepeak and Evolve, and the other agreements and documents expressly referred to herein are intended by the Members to constitute the entire agreement between the Members with respect to the subject matter of this Agreement and supersede all prior understandings (including the Original LLC Agreement), whether written or oral, between the Members with respect to the contents hereof.

**Section 12.14 Governing Law**. This Agreement, and any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. All claims shall be resolved in accordance with **Section 12.15**.

**Section 12.15 Consent to Jurisdiction; Waiver of Trial by Jury**.

(a) Each Member and the Company irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the courts of the State of New York sitting in New York City in the borough of Manhattan or, if it has or can acquire jurisdiction, in the United States District Court for the Southern District of New York located therein, in any action or proceeding arising out of or relating to this Agreement, the Transaction Documents or the transactions contemplated hereby or thereby or for recognition or enforcement of any judgment relating thereto. Each of the Members hereby irrevocably and unconditionally agrees: (i) not to commence any such action or proceeding except in such courts; and (ii) that any claim in respect of any such action or proceeding may be heard and determined in the courts of the State of New York sitting in New York City in the borough of Manhattan or, if it has or can acquire jurisdiction, in the United States District Court for the Southern District of New York located therein. Each of the Members also agrees to waive to the fullest extent it may legally and effectively do so: (i) any objection which it may now or hereafter have to the laying of venue of any such action or proceeding in the courts of the State of New York sitting in New York City in the borough of Manhattan or, if it has or can acquire jurisdiction, in the United States District Court for the Southern District of New York located therein; and (ii) the defense of an inconvenient forum to

the maintenance of such action or proceeding in such courts. Each Member and the Company agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each Member and the Company irrevocably consents to service of process in the manner provided for notices in **Section 12.1**. Nothing in this Agreement will affect the right of any Member or the Company to serve process in any other manner permitted by applicable law.

(b) **EACH PARTY HERETO ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.**

**Section 12.16 Construction; Interpretation**. The table of contents and the section and other headings and subheadings contained in this Agreement and the exhibits hereto are solely for the purpose of reference, are not part of the agreement of the Members, and shall not in any way affect the meaning or interpretation of this Agreement or any exhibit hereto. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. Unless otherwise specified, all references to days or months shall be deemed references to calendar days or months. All references to "$" shall be deemed references to United States dollars. Unless the context otherwise requires, any reference to a "Section," "Exhibit" or "Schedule" shall be deemed to refer to a section of this Agreement, exhibit to this Agreement or a schedule to this Agreement, as applicable. The words "hereof," "herein" and "hereunder" and words of similar import referring to this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The word "including" shall mean "including, without limitation". Reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. Whenever required by the context, references to a Fiscal Year shall refer to a portion thereof. The use of the words "or," "either" and "any" shall not be exclusive. The Members have participated jointly in the negotiation and drafting of this Agreement; accordingly, the language used in this Agreement shall be deemed to be the language chosen by the Members to express their mutual intent, and no rule of strict construction shall be applied against any Person. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Members, and no presumption or burden of proof shall arise favoring or disfavoring any Member by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict.

**Section 12.17 No Third Party Beneficiaries**. Except as set forth in **Section 12.19**, the provisions of this Agreement are for the exclusive benefit of the Members and the Company and their respective successors and permitted assigns and, solely with respect to **Section 6.1**, the Indemnitees. Except for the foregoing, this Agreement is not intended to benefit or create rights in any other Person.

**Section 12.18 Time is of the Essence**. Time is of the essence in the performance of all obligations under this Agreement.

**Section 12.19 No Recourse**. Notwithstanding anything that may be expressed or implied in this Agreement or any document, agreement, or instrument delivered contemporaneously with this Agreement, and notwithstanding the fact that any Member may be a partnership or limited liability company, each Member agrees and acknowledges that no Persons other than the Members shall have any obligation under this Agreement. Each Member to this Agreement further acknowledges and agrees that it has no rights of recovery whether under this Agreement or under any documents, agreements, or instruments delivered contemporaneously herewith, in respect of any oral representations made or alleged to be made in connection herewith or therewith. The prohibition against recovery set forth in this **Section 12.19** shall have equal application to any and all claims against, any former, current or future director, officer, agent, Affiliate, manager, assignee, incorporator, controlling Person, fiduciary, representative or employee of any Member (or any of their successors or permitted assignees), against any former, current, or future general or limited partner, manager, stockholder or member of any Member (or any of their successors or permitted assignees) or any Affiliate thereof or against any former, current or future director, officer, agent, employee, Affiliate, manager, assignee, incorporator, controlling Person, fiduciary, representative, general or limited partner, stockholder, manager or member of any of the foregoing, but in each case not including the Members. The prohibition set forth in this **Section 12.19** shall apply to any and all claims, whether such claims sound in tort, contract or otherwise. This prohibition shall apply whether such claims are asserted by attempting to pierce the corporate veil, or through a claim brought by or on behalf of such Member against such Persons and whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable law, or otherwise. The Members further expressly agree and acknowledge that no personal liability whatsoever shall attach to or be incurred by any of the Persons or other entities referenced in this Section for any obligations of the applicable Member under this Agreement or the transactions contemplated hereby, under any documents or instruments delivered contemporaneously herewith, in respect of any oral representations made or alleged to be made in connection herewith or therewith, or for any claim (whether in tort, contract or otherwise) based on, in respect of, or by reason of, such obligations or their creation.

**Section 12.20 Termination of Employment Arrangements.** In no event shall this Agreement or any of the legal relationships created hereby prevent the Employer from terminating the employment or consulting relationship between any holder of Class D Incentive Units, on the one hand, and the Company, the Common Members or their respective Affiliates, on the other hand.

[*Signature Pages Follow*]

**IN WITNESS WHEREOF**, the undersigned have executed or caused to be executed on their behalf this Agreement as of the date first written above.

**Levo Mobility LLC**

By: _____
Name:
Title:

**Nuvve Corporation**

By: _____
Name:
Title:

**Stonepeak Rocket Holdings LP**

**By: Stonepeak Associates IV LLC, its general partner**

By: _____
Name: Jack Howell
Title: Senior Managing Director

**Evolve Transition Infrastructure LP**

**By: Evolve Transition Infrastructure GP LLC, its general partner**

By: _____
Name: Charles C. Ward
Title: Chief Financial Officer & Secretary

## SCHEDULE OF MEMBERS

| | Class A Common Units | Class B Preferred Units[1] | Class C Common Units | Class D Incentive Units | Commitment Amount | Commitment Ratio | Remaining Commitment Amount | Capital Contributions (Date of Funding) |
|---|---|---|---|---|---|---|---|---|
| **Nuvve** | 510,000 | - | - | - | - | - | - | $51.00[2] (Execution Date) |
| **Stonepeak** | - | 2,800 | 441,000 | - | $675,000,000 | 90% | $672,200,000 | $2,800,044.10[3] (Execution Date) |
| **Evolve** | - | 1 | 49,000 | - | $75,000,000 | 10% | $74,999,000 | $1,004.90[4] (Execution Date) |

**Addresses for notices to Members:**

**Nuvve:** Nuvve Holding Corp.
2468 Historic Decatur Road
San Diego, California 92106

1 Each of Stonepeak and Evolve's initial Capital Contributions with respect to its Class B Preferred Units shall be made within fifteen (15) Business Days following the Execution Date; provided, that each of Stonepeak's and Evolve's obligations to make such initial Capital Contributions shall be subject to Nuvve Parent's compliance with the requirements of Section 3(a) of the IP License Agreement (which, for the avoidance of doubt, includes Nuvve Parent's obligation to complete the deposit of all Escrow Materials (as defined in the IP License Agreement) with the Escrow Agent within ten (10) calendar days. The amounts of such Capital Contributions and the respective number of Class B Preferred Units shall be adjusted such that the aggregate number of Class B Preferred Units is (except as may otherwise be agreed by the Parties) equal to (i) the sum of Levo's expense reimbursement obligations to Nuvve, Stonepeak, and Evolve set forth herein, *plus* $250,000 (or such other amount as may be agreed by the Parties), *divided by* (ii) $1,000.

2 Such Member's Capital Contributions include $51.00 deemed Capital Contributions made with respect to its Common Units.

3 Such Member's Capital Contributions include $44.10 deemed Capital Contributions made with respect to its Common Units.

4 Such Member's Capital Contributions include $4.90 deemed Capital Contributions made with respect to its Common Units.

| | |
|---|---|
| | Attention: Gregory Poilasne and Stephen Moran<br>Email: gregory@nuvve.com and smoran@nuvve.com<br><br>With a copy to (which shall not constitute notice):<br><br>Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.<br>One Financial Center<br>Boston, Massachusetts 02110<br>Attention: Sahir Surmeli and Eric Macaux<br>Email: ssurmeli@mintz.com and ewmacaux@mintz.com |
| **Stonepeak:** | Stonepeak Partners LP<br>55 Hudson Yards<br>550 W 34th Street, 48th Floor<br>New York, NY 10001<br>Attention: Trent Kososki, William Demas and Adrienne Saunders<br>Email: kososki@stonepeakpartners.com; demas@stonepeakpartners.com; LegalandCompliance@stonepeakpartners.com<br><br>With a copy to (which shall not constitute notice):<br><br>Kirkland & Ellis LLP<br>609 Main St.<br>Houston, Texas 77002<br>Attention: John D. Pitts, P.C. and Julian J. Seiguer, P.C.<br>Email: john.pitts@kirkland.com; julian.seiguer@kirkland.com |
| **Evolve:** | Evolve Transition Infrastructure LP<br>1360 Post Oak Blvd, Suite 2400<br>Houston, Texas 77056<br>Attention: Charles Ward |

Email: cward@evolvetransition.com

With a copy (which shall not constitute notice) to:

Sidley Austin LLP
1000 Louisiana Street, Suite 5900
Houston, Texas 77002
Attention: Cliff Vrielink and George Vlahakos
Email: cvrielink@sidley.com; gvlahakos@sidley.com

Schedule of Members to the Amended and Restated Limited Liability Company Agreement of Levo Mobility LLC

**EXHIBIT A - INITIAL BUDGET**

(*See attached.*)

Exhibit A to the Amended and Restated Limited Liability Company Agreement of Levo Mobility LLC

## EXHIBIT B - QUALIFIED OPPORTUNITIES

**"Qualifying Criteria" means the following:**

- For development opportunities or other projects:
  - a contracted asset life return on a portfolio basis of at least 12% per annum; *provided*, that after the first $250 million of deployments, such return shall be at least 8% per annum; *provided further*, that such return shall be net of any available subsidies, grants or incentives;
  - an asset useful life to be mutually agreed by the parties in good faith with respect to the applicable asset type;
  - a minimum contracted blended portfolio unlevered return of at least 12% per annum consisting of:
    - transportation-as-a-service only contracted return; and
    - additional grid services / capacity revenues based on pre-agreed assumptions (as to merchant revenues) or actual contracts in hand, if any;
  - a contract tenor of no less than 10 years with respect to such contracted asset;
  - an investment grade or investment grade-like credit profile as reasonably determined by Stonepeak in good faith;
  - daily historical route mileage assumptions provided by the applicable customer for up to 2 years;
  - charging cost assumptions provided based upon past 2 years of historical bills from the applicable customer;
  - quotes provided from major equipment vendors and engineering, procurement, and construction contractors considered "Tier 1" or equivalent or reasonably acceptable to Stonepeak in good faith; and
  - quotes provided from operation and maintenance provider(s) and asset management provider(s) reasonably acceptable to Stonepeak in good faith.

Notwithstanding anything to the contrary in this Exhibit B, the following "deployment criteria" are provided solely for informational purposes to help guide Nuvve Parent in understanding certain factors and criteria (which are neither exhaustive nor definitive) that Stonepeak may consider when deciding to provide Special Approval with respect to approving or funding certain Qualified Opportunities.

**"Deployment Criteria" may or may not include, among other things:**

- a signed contract with customer that meets Qualifying Criteria;
- signed contracts with major equipment vendors considered "Tier 1" or equivalent;
- a signed contract with engineering, procurement, and construction contractor considered "Tier 1" or equivalent;
- a signed operation and maintenance agreements and asset management agreements with service providers acceptable to and agreed in advance with Stonepeak;
- a signed interconnection agreement, where applicable; or
- a signed lease or land purchase agreement, where applicable.

**EXHIBIT C - INCENTIVE UNIT AWARD AGREEMENT (FORM)**

**(See attached.)**

Exhibit C to the Amended and Restated Limited Liability Company Agreement of Levo Mobility LLC

# EXHIBIT D - SPOUSAL CONSENT

**Spousal Agreement**

The undersigned, the spouse of the principal party named below (the "**Principal**"), a natural person who is executing the Amended and Restated Limited Partnership Agreement (as amended, supplemented and restated from time to time, the "**Agreement**") of Levo Mobility LLC, a Delaware limited liability company (the "**Company**"), in the capacity as a holder of equity interests or other securities of the Company (all such interests, collectively, the "**Interests**"), is aware of, understands and consents:

1. to the provisions of the Agreement and each other transaction document contemplated by the Agreement, including, without limitation, any agreements by and among the Principal or any other affiliate of the Principal (each, a "**Principal Party**") and the Company placing restrictions on or otherwise affecting any Principal Party's Interests, that has been or will be executed by any Principal Party or is otherwise binding upon any Principal Party and the Agreement's and each such other transaction document's binding effect upon any community property interest or marital settlement awards the undersigned may now or hereafter own or receive;

2. agrees that the termination of the undersigned's marital relationship with the Principal for any reason shall not have the effect of removing any Interests subject to the Agreement or any such other transaction documents from the coverage thereof; and

3. acknowledges that the undersigned's awareness, understanding, consent and agreement is evidenced by the undersigned's signature below.

**Signature: _____**
**Name of Spouse:**
**Date (Print)**:
**Name of Principal (Print)**:

**Gregory Poilasne**
Chairman and Chief Executive Officer
2488 Historic Decatur Road, Suite 200
San Diego, California, USA 92106

August 4, 2021

Stonepeak Rocket Holdings LP
Attention: Jack Howell, Trent Kososki, William Demas and Adrienne Saunders
55 Hudson Yards
550 W 34th Street, 48th Floor
New York, NY 10001

Evolve Transition Infrastructure LP
Attention: Charles Ward
1360 Post Oak Blvd, Suite 2400
Houston, Texas 77056

Levo Mobility LLC
Attention: Board of Managers
2468 Historic Decatur Road
San Diego, California 92106

Re: Project Rocket Parent Letter Agreement

Dear Ladies and Gentlemen:

This letter agreement (this "Agreement") is entered into by and among Nuvve Holding Corp., a Delaware corporation ("Nuvve Parent"), Stonepeak Rocket Holdings LP, a Delaware limited partnership ("Stonepeak"), Evolve Transition Infrastructure LP, a Delaware limited partnership ("Evolve"), and Levo Mobility LLC, a Delaware limited liability company (the "Company" and together with Nuvve Parent, Stonepeak and Evolve, each a "Party" and collectively, the "Parties"), to set forth certain agreements with respect to the Company and its Business. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Amended and Restated Limited Liability Company Agreement of the Company, dated as of the date hereof (the "LLCA").

In consideration of the premises and the mutual covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

**Section 1 Business Opportunities.**

(a) During the Non-Compete Period, Nuvve Parent shall, and shall cause each of its Affiliates to, present to the Company all investment or business opportunities that Nuvve Parent or such Affiliate, as applicable, becomes aware of and desires to pursue, to the extent such investment or business opportunity are within the scope of, primarily relate to or compete with, the Business (such investments or business opportunities, "Business Opportunities"); provided, that, for the avoidance of doubt, nothing set forth in this Agreement shall prohibit Nuvve Parent or its Affiliates from undertaking investment or business opportunities that are not Business

Opportunities, including, for the avoidance of doubt, (i) acquiring, owning, selling, leasing, developing and managing electric buses, vehicles, transportation assets, and related charging infrastructure and ancillary assets that are provided to third parties that are not utilizing financing, leasing or other similar arrangements in respect of such assets (or provided to third parties that are utilizing financing, leasing or other similar arrangements with respect of such assets, so long as such investment or business opportunity does not include participating in or otherwise providing equity, debt or other financing to any entity or other person engaged in the businesses described in clause (a) of the definition of the "Business" as defined in the LLCA), (ii) Nuvve Parent providing services (including providing grid services and receiving revenues therefrom) to such third parties that are not utilizing financing, leasing or other similar arrangements in respect of such assets (or provided to third parties that are utilizing financing, leasing or other similar arrangements with respect of such assets, so long as such investment or business opportunity does not include Nuvve Parent or its Affiliates participating in or otherwise providing equity, debt or other financing to any entity or other person engaged in the businesses described in clause (a) of the definition of the "Business" as defined in the LLCA) (such investment or business opportunities described in clauses (i) and (ii), collectively, the "Exempted Business Opportunities") or (iii) Nuvve Parent providing services to the Company pursuant to the DSA.

(b) Nuvve Parent shall, and shall cause each of its Affiliates to, use reasonable best efforts to source and structure each Business Opportunity so that it will constitute a Qualified Opportunity. Each such Business Opportunity will be presented to the Company and the Class B Representative in writing and with reasonable detail as to the nature, terms and other relevant factors relating to such Business Opportunity (including reasonable detail with respect to the satisfaction, as applicable, of each of the applicable qualifying criteria set forth on Exhibit A with respect to such Qualified Opportunity), and Nuvve Parent and each such Affiliate, as applicable, shall (i) provide any additional information and reasonable access to all relevant personnel and third party advisors, properties and books and records relating to such Business Opportunity to the extent reasonably requested by the Company or the Class B Representative and (ii) notify the Company and the Class B Representative as promptly as reasonably practicable of any changes to the nature, terms or other relevant factors relating to such Business Opportunity. The Board, acting with Special Approval, will determine in good faith whether such Business Opportunity constitutes a Qualified Opportunity and shall provide Nuvve Parent with written notice of its decision of whether such Business Opportunity was determined to be a Qualified Opportunity within ten (10) Business Days (which may be extended as mutually agreed by Nuvve Parent and the Board, acting with Special Approval) following receipt of any such written notice describing such Business Opportunity and all material information reasonably necessary for the Board to evaluate such Business Opportunity (including, for the avoidance of doubt, all information reasonably requested by the Board). Following such determination, the Board, acting with Special Approval, will consider such Business Opportunity and elect to either reject or pursue such Business Opportunity in its sole discretion. Within ten (10) Business Days (which may be extended as mutually agreed by Nuvve Parent and the Board, acting with Special Approval) following delivery of such notice to Nuvve Parent with respect to the determination of whether such Business Opportunity constitutes a Qualified Opportunity and the receipt of all material information reasonably necessary for the Board to evaluate such Business Opportunity (including, for the avoidance of doubt, all information reasonably requested by the Board), or twenty (20) Business Days (which may be extended as mutually agreed by Nuvve Parent and the Board, acting with Special Approval) if Stonepeak provides written notice to Nuvve Parent and the Company prior to the end of such

ten (10)-Business Day period (or such longer period as may have been mutually agreed by Nuvve Parent and the Board, acting with Special Approval) that a proposal for the Company to exercise its option with respect to the Business Opportunity has been submitted for consideration to the applicable investment committee or general partner, as applicable, of Stonepeak Infrastructure Partners and such investment committee or general partner is evaluating such Business Opportunity in good faith (such period, the "Consideration Period"), the Company shall provide Nuvve Parent with written notice of the Board's decision (acting with Special Approval), in its sole discretion, to either reject or pursue such Business Opportunity and if such Business Opportunity was rejected, whether such rejection was primarily due to a failure to obtain Special Approval with respect to such Qualified Opportunity (if applicable). Any Business Opportunity that the Company so elects to pursue will hereinafter be referred to as an "Accepted Opportunity." For purposes of this Agreement, "Qualified Opportunity" means a Business Opportunity that meets the qualifying criteria set forth on Exhibit A, as may be amended, supplemented or modified from time to time in accordance with Section 1(e).

(c) Nuvve Parent shall not, and shall cause its Affiliates not to, directly or indirectly (other than as a direct or indirect equityholder of the Company), individually or on behalf of any Person, company, enterprise, or entity, or as a sole proprietor, partner, equityholder, licensor, director, officer, principal, agent, employee or executive, or in any other capacity or relationship, pursue or participate in any manner (i)(A) in any Accepted Opportunity, or (B) from the date hereof until the earliest to occur of (1) the date that the aggregate Commitment Amount has been funded in full, (2) the end of the Commitment Period, and (3) a Monetization Event (such period in clause (B), the "Non-Compete Period"), in any Business Opportunity other than (x) a Rejected Opportunity to the extent permitted by the terms and conditions set forth in this Agreement or (y) a Business Opportunity with respect to the Business solely outside of North America that the Company elects not to participate in, (ii) during the Non-Compete Period, in any request for proposal or other similar process, in each case, with respect to any Exempted Business Opportunity until such request for proposal or other similar process has concluded and the applicable project has been finally awarded, or (iii) during the Non-Compete Period, in any Exempted Business Opportunity unless Nuvve Parent and its Affiliates have used good faith commercially reasonable efforts to provide the Company an opportunity to participate in such financing, leasing or other similar arrangements with respect to such investment or business opportunity as a financing source.

(d) If the Company elects not to participate in any Business Opportunity that was determined to be a Qualified Opportunity as determined by the Board in good faith with Special Approval, primarily due to a failure to obtain Special Approval (a "Rejected Opportunity"), then Nuvve Parent or its Affiliates may pursue such Rejected Opportunity for its or their own account without any further involvement of the Company, and in such event the Company shall not have any right or interest in such Rejected Opportunity nor any responsibility for any cost, expense or obligation associated with the further review, pursuit or acquisition by Nuvve Parent or its Affiliates of such Rejected Opportunity. In the event that (i) the material terms (including all terms relating to conditionality, pricing, costs, fees, revenues, quantity or any other economic provision regardless of materiality) of such Rejected Opportunity become, in the aggregate, more favorable to Nuvve Parent or its Affiliate, as applicable, from those contemplated when presented to the Company in writing, or (ii) Nuvve Parent or its Affiliates fails to enter into a definitive agreement relating to such Rejected Opportunity within one hundred and twenty days (120) days after the

earlier to occur of (A) the date that Nuvve Parent receives the Company's written notice that it has elected not to pursue such Qualified Opportunity, and (B) the expiration of the applicable Consideration Period, in each case, the procedures set forth in this Section 1 shall once again apply, and Nuvve Parent and its Affiliates may not pursue such Rejected Opportunity without complying with such procedures in full.

(e) The qualifying criteria set forth on Exhibit A may only be waived or amended, supplemented or modified by Stonepeak in its reasonable sole discretion, unless such amendment, supplement or modification would reasonably be expected to be adverse to Nuvve Parent as determined by the Board in good faith with Special Approval, which shall also require Nuvve Parent's prior written consent (not to be unreasonably withheld, conditioned or delayed). Nuvve Parent may propose, amendments, supplements or modifications to such qualifying criteria in good faith for Stonepeak's review; provided, that Stonepeak shall have no obligation to consent to any such proposals.

**Section 2 Future Financing Transactions**. If, during the six month period following the end of the Non-Compete Period, Nuvve Parent or any of its Affiliates, directly or indirectly, desires to enter into any material financing transaction, the primary use of proceeds from which will be used with respect to the Business or any business substantially similar to or competitive with the Business (a "Financing Transaction"), Nuvve Parent shall first give Stonepeak written notice (the "Stonepeak ROFO Notice") of its desire to do so and provide Stonepeak with the proposed terms of the Financing Transaction. Within 15 days after receipt of the Stonepeak ROFO Notice (the "Stonepeak ROFO Response Period"), Stonepeak shall, on behalf of itself and its Affiliates, provide Nuvve Parent with written notice of its election to either (a) pursue the Financing Transaction, or (b) waive its rights in connection with the Financing Transaction (the "Stonepeak ROFO Response Notice"). If (x) Stonepeak waives its rights in connection with the Financing Transaction, (y) Stonepeak (or any of its Affiliates, as applicable) and Nuvve Parent (or any of its Affiliates, as applicable) fail to agree in good faith to a definitive agreement or binding term sheet relating to such Financing Transaction within 120 days (which may be extended as mutually agreed in writing by Nuvve Parent and Stonepeak) of Stonepeak delivering such notice to pursue the Financing Transaction; provided, that such parties have used commercially reasonable efforts to negotiate in good faith during such Period, or (z) Stonepeak fails to deliver a Stonepeak ROFO Response Notice by the end of the Stonepeak ROFO Response Period, then Nuvve Parent or its Affiliates may pursue and consummate such Financing Transaction with any other Person without any further obligation to Stonepeak except as set forth in this Section 2 (the circumstances described in clause (x), (y) or (z) of this subsection, a "Stonepeak Renounced Opportunity"). In the event that (i) the material terms (including all terms relating to conditionality, pricing, costs, fees or any other economic provision regardless of materiality) of such Stonepeak Renounced Opportunity become, in the aggregate, more favorable to Nuvve Parent or its Affiliates, as applicable, from those contemplated at the time the Stonepeak ROFO Notice was provided or (ii) Nuvve Parent or its Affiliates fails to enter into a definitive agreement or binding term sheet relating to such Stonepeak Renounced Opportunity within 120 days of the date such Financing Transaction was determined to be a Stonepeak Renounced Opportunity, the procedures set forth in this Section 2 shall once again apply, and Nuvve Parent and its Affiliates may not pursue such Financing Transaction without complying with such procedures in full. Notwithstanding the foregoing, Stonepeak may only exercise its rights pursuant to this Section 2 on behalf of an Affiliate that is not a Competitor.

**Section 3 Most Favored Nation.**

(a) From the date hereof until the date that is the fifth ($5^{th}$) anniversary of the date that Nuvve or its Permitted Transferees no longer own any equity interests in the Company (such period, the "MFN Period"), Nuvve Parent hereby covenants and agrees, (i) that subject to the terms of this Section 3, none of the material terms (including all terms relating to conditionality, pricing, costs, fees, revenues, quantity or any other economic provision regardless of materiality) set forth in any Other Agreement is, has been, or will be more favorable to the Other Customer than those offered to the Company and its Affiliates with respect to any Proposed Contract, solely with respect to the MFN Covered Items, in each case, with respect to the applicable Asset Class, and (ii) to consider in good faith, on a case-by-case basis, the discount (including any additional discount) to be offered to the Company and its Subsidiaries with respect to the MFN Covered Items.

(b) Notwithstanding anything to the contrary herein, if during the MFN Period, Nuvve Parent is in breach of Section 3(a)(i), Nuvve Parent shall be deemed to have cured such breach if, and only if, Nuvve Parent (i) promptly provides written notice thereof to the Company prior to date that the Company or its Affiliates, as applicable, enters into the Proposed Contract or (ii) promptly (and in no event less than ten (10) Business Days following the discovery of such breach by Nuvve Parent), provides written notice thereof to the Company following the date that the Company or its Affiliates, as applicable, entered into the Proposed Contract; provided, that, in each case, so long as such notice includes a copy of the applicable Other Agreement (and any other relevant documents, agreements or material information with respect thereto), a revised Proposed Contract (such that the Company and its Affiliates would receive the benefit (including retroactively as of the date such Proposed Contract had been entered into, as applicable, with respect to clause (ii)) of the more favorable terms set forth in such Other Agreement) that Nuvve Parent or its Affiliates, as applicable, would enter into in good faith, and a good faith proposal with respect to proposed additional discounts, if any, for the Company and its Affiliates. Notwithstanding anything to the contrary herein, (w) this Section 3 shall only apply retroactively to any contract entered into between Company or its Affiliates, on one hand, and Nuvve Parent or its Affiliates, on the other hand, to the extent set forth in this Section 3(b); (x) the duration of the MFN Covered Items (including promotional pricing) shall be taken into account in the application of this Section 3(b); (y) solely with respect to the purchase price for charging infrastructure and related assets (including technology and intellectual property), (1) such purchase price included in such revised Proposed Contract shall, at minimum, unless otherwise waived by Nuvve Parent in its sole discretion, result in a gross margin to Nuvve Parent of at least ten percent (10%) as of the date of such revised Proposed Contract, and (2) the application of this Section 3(b) shall only apply to any Other Agreement that provides for a quantity of five (5) or more of the applicable Asset Class, and (z) in the event any individual Package Term is more favorable in any Other Agreement, the Company shall be required to irrevocably elect by written notice within ten (10) Business Days of receipt of Nuvve Parent's notice either (1) for Nuvve Parent to incorporate such individual Package Term in such revised Proposed Contract it provides to the Company or its Affiliates along with the other applicable Package Terms set forth in such Other Agreement (which, for the avoidance of doubt, may be less favorable to the Company and its Affiliates) or (2) to waive its rights to adopt any of the Package Terms set forth in the Other Agreement in such revised Proposed Contract.

(c) During the MFN Period, each of Nuvve Parent and the Company hereby covenants and agrees to use its commercially reasonable efforts to, in good faith, establish mutually-acceptable terms and conditions with respect to the MFN Covered Items relating to the Business including, for the avoidance of doubt, the Package Terms, in each case, subject to the other terms of this Section 3.

(d) MFN Disputes. In the event of any dispute between Nuvve Parent and the Company with respect to this Section 3, either of Nuvve Parent or the Company may submit written notice of such dispute to such other Party. Upon delivery of such written dispute notice, such Parties shall cooperate and negotiate in good faith and use reasonable efforts to resolve such dispute. If such Parties are unable to resolve such dispute within 10 days after delivery of the written dispute notice, either Nuvve Parent or the Company may elect to, within three days following the end of such 10-day period, submit the dispute to binding arbitration in accordance with the Commercial Rules of the American Arbitration Association, by three arbitrators, of whom each such Party shall appoint one and the third shall be chosen by the other two arbitrators. The decision of a majority of the arbitrators shall be final and binding on such Parties and may be enforced before any court of competent jurisdiction and cannot be the subject of any appeal. The place of arbitration shall be New York, New York. The arbitration and all related proceedings and discovery shall take place pursuant to a protective order entered by the arbitrators that adequately protects the confidential nature of each such Party's Confidential Information. Unless otherwise agreed by such Parties, the arbitration proceeding shall commence as soon as practicable following such submission (and not later than three days following such submission), shall be completed as soon as reasonably practicable (and not continue for longer than 10 days from commencement) and the arbitrators shall issue their decision within five days after the conclusion of the proceeding. Each of the Company and Nuvve Parent shall bear its own costs relating to such arbitration; *provided*, that (x) if such arbitration results in a decision in favor of the Company, Nuvve Parent shall reimburse the Company for all of its reasonable and documented out-of-pocket expenses incurred with respect to such arbitration (including all costs of such arbitration), and (y) if such arbitration results in a decision in favor of Nuvve Parent, the Company shall reimburse Nuvve Parent for all of its reasonable and documented out-of-pocket expenses incurred with respect to such arbitration (including all costs of such arbitration).

(e) Definitions. As used in this Section 3, the following terms shall be defined as follows:

(i) "Asset Class" means assets of the same or substantially similar type and market application. Solely by way of example, charging infrastructure for use with electric school buses and charging infrastructure for use with electric delivery vans constitute separate Asset Classes.

(ii) "Grid Revenues" means the vehicle-to-grid portion of (A) net revenues (net of estimated charging costs as determined by using the relevant off-peak retail, wholesale or charging electricity tariff multiplied by the amount of generation utilized for such vehicle-to-grid revenue generation) and (B) credits (solely to the extent such credits were validated, verified and monitored utilizing Nuvve Parent's Software (as defined in the DSA)), in each case, generated on or provided in connection with assets acquired or developed by the Company and its Affiliates.

(iii) "MFN Covered Items" means (A) the purchase price and terms of purchase for charging infrastructure and related assets (including technology and intellectual property) acquired from, provided, or otherwise made available by Nuvve Parent or its Affiliates; (B) grid services for electric vehicles, charging infrastructure and related assets (including technology and intellectual property) acquired from, or provided or otherwise made available by, Nuvve Parent or its Affiliates, including the relative proportion of Grid Revenues (as defined below) to be shared between Nuvve Parent or its Affiliates, on the one hand, and the Company and its Affiliates, on the other hand; and (C) the purchase price and terms of purchase for any other assets or other services otherwise made available by Nuvve Parent or its Affiliates to an Other Customer.

(iv) "Other Agreement" means any binding contract or written offer or other proposal between Nuvve Parent or its Affiliate on the one hand, and an Other Customer.

(v) "Other Customer" means any Person (other than the Company or its Affiliates) that is the counterparty of (or recipient of a written offer or other proposal from) Nuvve or its Affiliate under an Other Agreement.

(vi) "Package Terms" means, collectively, the following MFN Covered Items: (A) the purchase price for the charging infrastructure and related assets (including technology and intellectual property) to be sold under the applicable contract, offer or other proposal, which shall be calculated on a cost-plus pricing basis and shall initially be subject to a 33% markup to the applicable cost to Nuvve Parent and its Affiliates; (B) the relative proportion of Grid Revenues to be shared pursuant to the terms of the applicable contract, offer or other proposal, which shall initially be equal to 30% to Nuvve Parent and 70% to the Company and (C) the warranty term and warranty exclusions set forth in the applicable contract, offer or other proposal.

(vii) "Proposed Contract" means any proposed (but not entered into) contract between the Company or its Affiliates, on one hand, and Nuvve Parent or its Affiliates.

**Section 4 Reasonableness of Restrictions**. Nuvve Parent expressly acknowledges and agrees that (a) the covenants contained in this Agreement are integral to Stonepeak's and Evolve's investment in the Company and each of Stonepeak and Evolve would not have entered into the LLCA and the Transaction Documents (including this Agreement) or consummated the transactions contemplated thereby or hereby without the obligations and restrictions contained in this Agreement, (b) each and every one of the obligations and restrictions contained in this Agreement is reasonable in all respects (including with respect to subject matter, time period and geographical area) and such obligations and restrictions are necessary to protect each of Stonepeak's and Evolve's interest in, and value of, the Company and the Company's business (including the goodwill inherent therein), and (c) Nuvve Parent and its Affiliates were significantly responsible for the creation of such value. Nuvve Parent and its Affiliates further covenants that Nuvve Parent and its Affiliates will not challenge the reasonableness or enforceability of any of the covenants set forth in this Agreement and agrees not to, and to cause its employees and Affiliates to not, take any action which would have the effect of circumventing or diminishing Stonepeak's and Evolve's rights hereunder (and the benefit of this Agreement to Stonepeak and Evolve). In any action to enforce the provisions of this Agreement, the prevailing Party's

reasonable costs (including reasonable attorneys' fees) incurred in connection with such action will be reimbursed by the non-prevailing Party.

**Section 5** **Tolling; Survival**. In the event of any violation of Section 2 or Section 3, Nuvve Parent acknowledges and agrees that the restrictions and time periods contained in Section 2 or Section 3 shall be extended by a period of time equal to the period of such violation, it being the intention of the Parties that the running of the applicable restriction period shall be tolled during any period and time periods, as applicable, of such violation.

**Section 6** **Representations and Warranties**.

(a) Each of the Parties hereby represents and warrants as follows:

(i) such Party is duly organized, incorporated or formed, as applicable, validly existing and in good standing (or the equivalent thereof, if applicable, in each case, with respect to the jurisdictions that recognize the concept of good standing or any equivalent thereof) under the laws of its jurisdiction of organization, incorporation or formation, as applicable, and has all necessary power and authority to execute, deliver and perform its obligations under this Agreement and the transactions contemplated hereby;

(ii) the execution, delivery and performance of this Agreement and the transactions contemplated hereby have been duly authorized by all necessary action and do not conflict with, contravene, or result in any default, breach, violation or infringement (with or without notice or lapse of time or both) of: (A) any provision of such Party's charter, partnership agreement, operating agreement or similar organizational documents; or (B) any law, regulation, rule, decree, order, judgment or contractual restriction binding on such Party or its assets;

(iii) all consents, approvals, authorizations, permits of, filings with and notifications to, any governmental authority necessary for the due execution, delivery and performance of this Agreement and the transactions contemplated hereby by such Party have been obtained or made and all conditions thereof have been duly complied with, and no other action by, and no notice to or filing with, any Governmental Entity is required in connection with the execution, delivery or performance of this Agreement and the transactions contemplated hereby by such Party; and

(iv) this Agreement and the transactions contemplated hereby constitute a legal, valid and binding obligation of such Party enforceable against such Party in accordance with its terms, subject to (A) the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar laws affecting creditors' rights generally, and (B) general equitable principles (whether considered in a proceeding in equity or at law).

(b) Nuvve Parent represents and warrants that as of the date hereof (i) the Company has no assets or liabilities, and (ii) the Company is a special purpose, non-guarantor, unrestricted Subsidiary of Nuvve Parent.

**Section 7** **Reports**. Nuvve Parent shall provide to Stonepeak, at Stonepeak's election, (a) reasonable advance notice (if possible, otherwise prompt notice) of any events or actions related to Nuvve Parent that would reasonably be expected to have a material effect on Nuvve Parent's

financial condition, business or operations and (b) promptly upon completion thereof, but in any event within 15 days after the end of each month, monthly operating, financial reports and projection information relating to Nuvve Parent and its Subsidiaries (other than the Company) prepared by or on behalf of Nuvve Parent. Notwithstanding the foregoing, Nuvve Parent shall (x) be deemed to have satisfied its obligations with respect to clause (a) above to the extent Nuvve Parent promptly discloses (within four (4) Business Days) information with respect to any such event or action related to Nuvve Parent in any form, report, schedule, statement or other document (including all amendments thereto) filed with, or furnished to, the Commission, in each case, that is publicly available, (y) only be obligated to provide operating reports pursuant to the foregoing clause (b) beginning with the first full calendar month following the six-month anniversary of the date hereof, and (z) no longer be obligated to comply with this Section 7 following the conversion of the Company to a corporation and the consummation of an initial public offering of the Company.

**Section 8 Confidentiality**. Each Party recognizes and acknowledges that it has received and may in the future receive certain confidential and proprietary information and trade secrets of the Company and its Subsidiaries and the Parties (including their respective predecessors and Affiliates) (such information, and including this Agreement, the LLCA and the other Transaction Documents, the "Confidential Information"). Except as otherwise consented to by the disclosing Party in writing, each Party agrees that it will not, during or after the term of this Agreement, whether directly or indirectly through an Affiliate or otherwise, use any Confidential Information for any purposes other than in connection with its investment in the Company or Nuvve, as applicable, or disclose any Confidential Information for any reason or purpose whatsoever, except for disclosures: (a) to authorized directors, managers, officers, representatives, agents and employees of such Party or its Affiliates, the Company or its Subsidiaries and as otherwise may be proper in the course of performing such Party's obligations, or enforcing such Party's rights, under this Agreement, the LLCA and the agreements expressly contemplated hereby and thereby; provided, that each such Person is informed of the confidential nature of such Confidential Information, agrees to hold such Confidential Information confidential and that the disclosing Party remains liable for any breach of this provision by such Persons; (b) made by Stonepeak or Evolve to its limited partners, owners, co-investors, general partners and prospective investors; provided that if such limited partners, owners, co-investors, general partners and prospective investors are receiving Confidential Information (other than with respect to high-level summary information regarding the Company's, or Nuvve Parent's, as applicable, operations), such receiving Person shall be subject to confidentiality provisions at least as restrictive as the confidentiality obligations contained in this Agreement; (c) to any bona fide prospective purchaser of the equity or assets of the Company, Nuvee Parent, or its Affiliates or the Units or securities of Nuvve Parent held by such Party or its Affiliates, to prospective financing sources, or a prospective merger partner of such Party, Nuvve Parent, the Company or any of their respective Affiliates; provided, that such purchaser, financing sources, or merger partner agrees in writing to be bound by the provisions of this Section 8 or other confidentiality agreement that includes confidentiality and use provisions at least as restrictive as the provisions in this Agreement; (d) to attorneys, accountants and other professionals of such Party or its Affiliates who need to know such Confidential Information in order to perform services for such Party or Affiliate; (e) as is required to be disclosed by order of a court of competent jurisdiction, administrative body or governmental body, or by subpoena, summons or legal process, or by law, rule or regulation; and (f) as required to be disclosed in accordance with any securities law or other legal requirement. In the event of a

disclosure required by the foregoing clause (e), the applicable Party shall provide to the Company (or in the case of Confidential Information of a Party, such Party) prompt notice of any such requirement to enable the Company or such Party to seek an appropriate protective order or confidential treatment and shall disclose only that portion of such Confidential Information so required to be disclosed. Notwithstanding the prior sentence, no such opportunity shall be afforded in the case of a routine audit or examination by, or a blanket document request from, a governmental or regulatory entity that does not reference the Company, any other Party or this Agreement or the LLCA or if notifying the Company or such Party in advance of such disclosure is prohibited by applicable law. For purposes of this Section 8, the term "Confidential Information" shall not include any information which (x) a Person learns from a source other than Nuvve Parent, the Company or its Subsidiaries, or any of their respective representatives, employees, agents or other service providers, (y) is disclosed to the public or is available in the public domain, or (z) was in a Person's possession prior to disclosure hereunder; provided such information is not known by such Person to be subject to an obligation of confidentiality owed to the other Parties.

**Section 9 Fees and Expenses**. On the earlier of (x) the date that is ten (10) calendar days following the date hereof, and (y) the date Stonepeak and Evolve fund their respective initial Capital Contributions to the Company pursuant to the LLCA, Nuvve Parent shall reimburse (a) Stonepeak for 50% of the first $1,800,000 of Stonepeak's reasonable out-of-pocket expenses (including legal and accounting fees) incurred after February 11, 2021 and through the date hereof in connection with the due diligence, documentation and negotiation of the Transaction Documents, and (b) Evolve for 50% of the first $200,000 of Evolve's reasonable out-of-pocket expenses (including legal and accounting fees) incurred after May 6, 2021 and through the date hereof in connection with the due diligence, documentation and negotiation of the Transaction Documents.

**Section 10 Representation by Counsel**. Each Party agrees that (a) it has been represented by, or had the opportunity to be represented by, independent counsel of its own choosing, (b) it has had the full right and opportunity to consult with its respective attorney(s), and to the extent, if any, that it desired, it has availed itself of this right and opportunity, (c) it or its authorized officers (as the case may be) have carefully read and fully understand this Agreement in its entirety and have had it fully explained to them by such Party's respective counsel, (d) it is fully aware of the contents hereof and its meaning, intent and legal effect, and (e) its authorized officer is competent to execute this Agreement and has executed this Agreement free from coercion, duress or undue influence.

**Section 11 Damages Limitation.** No Party will be liable to the other Parties for, or entitled to seek or recover, special or punitive damages or damages that are not reasonably foreseeable from such other Party in connection with any claim for, relating to, or otherwise arising out of, the breach of this Agreement.

**Section 12 Notices**. Any notice or other communication provided for or permitted to be given pursuant to this Agreement by a Party to any other Party must be in writing and is duly given (a) one Business Day after being deposited with a nationally recognized overnight delivery service company that tracks deliveries, addressed to such other Party, with overnight service guaranteed, all charges paid and proof of receipt requested, (b) when delivered in person to such other Party or (c) when sent via email (utilizing the delivery receipt, read receipt or similar function), on the date

sent by e-mail if sent before 5:00 p.m., New York time, and on the next business day if sent after such time. In each case, the notice or communication should be addressed as follows:

if to Nuvve Parent:

Nuvve Holding Corp.
2468 Historic Decatur Road
San Diego, California 92106
Attention: Gregory Poilasne and Stephen Moran
Email: gregory@nuvve.com and smoran@nuvve.com

With a copy (which shall not constitute notice) to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02110
Attention: Sahir Surmeli and Eric Macaux
Email: ssurmeli@mintz.com and ewmacaux@mintz.com

if to the Company:

Levo Mobility LLC
2468 Historic Decatur Road
San Diego, California 92106
Attention: Board of Managers; Gregory Poilasne and Stephen Moran; Trent Kososki, William Demas and Adrienne Saunders
Email: gregory@nuvve.com and smoran@nuvve.com; kososki@stonepeakpartners.com; demas@stonepeakpartners.com; LegalandCompliance@stonepeakpartners.com

With a copy (which shall not constitute notice) to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02110
Attention: Sahir Surmeli and Eric Macaux
Email: ssurmeli@mintz.com and ewmacaux@mintz.com

With a copy (which shall not constitute notice) to:

Kirkland & Ellis LLP
609 Main St.
Houston, Texas 77002
Attention: John D. Pitts, P.C.
Email: john.pitts@kirkland.com

if to Stonepeak:

Stonepeak Partners LP
55 Hudson Yards
550 W 34th Street, 48th Floor
New York, NY 10001
Attention: Trent Kososki, William Demas and Adrienne Saunders
Email: kososki@stonepeakpartners.com; demas@stonepeakpartners.com;
LegalandCompliance@stonepeakpartners.com

With a copy (which shall not constitute notice) to:

Kirkland & Ellis LLP
609 Main St.
Houston, Texas 77002
Attention: John D. Pitts, P.C.
Email: john.pitts@kirkland.com

if to Evolve:

Evolve Transition Infrastructure LP
1360 Post Oak Blvd, Suite 2400
Houston, Texas 77056
Attention: Charles Ward
Email: cward@evolvetransition.com

With a copy (which shall not constitute notice) to:

Sidley Austin LLP
1000 Louisiana Street, Suite 5900
Houston, Texas 77002
Attention: Cliff Vrielink and George Vlahakos
Email: cvrielink@sidley.com; gvlahakos@sidley.com

**Section 13 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial**. This Agreement, and any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without giving effect to any choice-of-law principles that would require the application of the laws of any other jurisdiction. Each Party hereby irrevocably and unconditionally submits, for itself and its properties, to the exclusive jurisdiction of the courts of the State of New York sitting in New York City in the borough of Manhattan or, if it has or can acquire jurisdiction, in the United States District Court for the Southern District of New York located therein, as the appropriate, sole and exclusive venue to for purposes of any suit, action or other proceeding under or arising out of, or matter of interpretation of, this Agreement or the rights of the Parties under this Agreement. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE MAXIMUM EXTENT IT MAY DO SO UNDER APPLICABLE LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY SUIT, ACTION, OR OTHER PROCEEDING UNDER OR ARISING OUT OF, OR MATTER OF INTERPRETATION OF, THIS AGREEMENT OR THE RIGHTS OF THE PARTIES UNDER THIS AGREEMENT.

**Section 14 Assignment; Entire Agreement; Amendments; Waivers**. No Party may assign any of its rights or obligations under this Agreement without the prior written consent of the other Party. Any attempted assignment in violation of this Agreement shall be void *ab initio*. This Agreement, the other Transaction Documents, that certain Non-Disclosure Agreement by and between Stonepeak and Nuvve Corporation, a Delaware corporation (the "NDA"), and that certain joinder to the NDA by and between Stonepeak and Evolve, constitute the entire agreement between the Parties with respect to the subject matter of this Agreement and supersede all prior understandings, whether written or oral, between Nuvve Parent, Stonepeak, Evolve, and the Company with respect to the contents hereof. This Agreement may not be amended or modified, in whole or in part, except by a written instrument executed by Stonepeak, Evolve, the Company and Nuvve Parent expressly so amending, or modifying this Agreement or any part hereof. Any agreement on the part of any Party to any waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party. No failure or delay on the part of any Party in the exercise of any right hereunder shall impair such right or be construed as a waiver of, or acquiescence in, any breach of any agreement herein, nor shall any single or partial exercise of any such right preclude other or further exercise thereof or of any other right.

**Section 15 Specific Performance**. Each Party agrees that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and monetary damages, even if available, would not be an adequate remedy. It is accordingly agreed that each Party shall be entitled to an injunction, specific performance and other equitable relief to prevent breaches (or threatened breaches) of this Agreement and to enforce specifically the performance of the terms and provisions hereof, without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach and without the necessity to post any bond or other security in connection with any such order or injunction, this being in addition to any other remedy to which any Party is entitled to at law or in equity.

**Section 16 Non-Recourse**. Each Party agrees that this Agreement may only be enforced against, and any action for breach of this Agreement may only be made against, the Parties, and no claims of any nature whatsoever arising under or relating to this Agreement shall be asserted against any individual, entity or other person other than the Parties, and no individual, entity or other person that is not a Party shall have any liability arising out of or relating to this Agreement.

**Section 17 Parties in Interest**. This Agreement shall be binding upon and inure solely to the benefit of each Party and its successors and permitted assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other individual, entity or other person any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement; provided, that any individual, entity or other person other than the Parties shall be an express third-party beneficiary of Section 16.

**Section 18 Counterparts**. This Agreement may be executed in any number of counterparts, each of which, when so executed, shall be deemed to be an original and all of which, taken together, shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by e-mail or other electronic transmission (including ".pdf" or ".tif" format) shall be as effective as delivery of an original executed counterpart of this Agreement.

**Section 19 Severability; Enforcement**. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the fullest extent possible. It is the intention of the Parties that if any of the restrictions or covenants contained in this Agreement is held to cover a geographic area or to be of a length of time that is not permitted by applicable law, or in any way construed to be too broad or to any extent invalid, such provision will not be construed to be null, void and of no effect; instead, the Parties agree that a court of competent jurisdiction will construe, interpret, reform or judicially modify this Agreement to provide for a covenant having the maximum enforceable geographic area, time period and other provisions (not greater than those contained herein) as will be valid and enforceable under such applicable law.

[*Remainder of page intentionally left blank*]

Each of the Parties have executed this Agreement through such Party's duly authorized representative as of the day first above written.

Sincerely,

**NUVVE HOLDING CORP.**

By:_____
Name: Gregory Poilasne
Title: Chairman and Chief Executive Officer

[*Signature Page to Letter Agreement*]

Acknowledged and Agreed:

**STONEPEAK ROCKET HOLDINGS LP**

**By: STONEPEAK ASSOCIATES IV LLC,**
**its general partner**

By:_____
Name: Jack Howell
Title: Senior Managing Director

Acknowledged and Agreed:

**EVOLVE TRANSITION INFRASTRUCTURE LP**

**By: EVOLVE TRANSITION INFRASTRUCTURE GP LLC,**
**its general partner**

By:_____
Name: Gerald F. Willinger
Title: Chief Executive Officer

**LEVO MOBILITY LLC**

By:_____
Name:
Title:

[*Signature Page to Letter Agreement*]

**Exhibit A**

**"Qualifying Criteria" means the following:**

- For development opportunities or other projects:
  - a contracted asset life return on a portfolio basis of at least 12% per annum; *provided*, that after the first $250 million of deployments, such return shall be at least 8% per annum; *provided further*, that such return shall be net of any available subsidies, grants or incentives;
  - an asset useful life to be mutually agreed by the parties in good faith with respect to the applicable asset type;
  - a minimum contracted blended portfolio unlevered return of at least 12% per annum consisting of:
    - transportation-as-a-service only contracted return; and
    - additional grid services / capacity revenues based on pre-agreed assumptions (as to merchant revenues) or actual contracts in hand, if any;
  - a contract tenor of no less than 10 years with respect to such contracted asset;
  - an investment grade or investment grade-like credit profile as reasonably determined by Stonepeak in good faith;
  - daily historical route mileage assumptions provided by the applicable customer for up to 2 years;
  - charging cost assumptions provided based upon past 2 years of historical bills from the applicable customer;
  - quotes provided from major equipment vendors and engineering, procurement, and construction contractors considered "Tier 1" or equivalent or reasonably acceptable to Stonepeak in good faith; and
  - quotes provided from operation and maintenance provider(s) and asset management provider(s) reasonably acceptable to Stonepeak in good faith.

Notwithstanding anything to the contrary in this Exhibit A, the following "deployment criteria" are provided solely for informational purposes to help guide Nuvve Parent in understanding certain factors and criteria (which are neither exhaustive nor definitive) that Stonepeak may consider when deciding to provide Special Approval with respect to approving or funding certain Qualified Opportunities.

**"Deployment Criteria" may or may not include, among other things:**

- a signed contract with customer that meets Qualifying Criteria;
- signed contracts with major equipment vendors considered "Tier 1" or equivalent;
- a signed contract with engineering, procurement, and construction contractor considered "Tier 1" or equivalent;
- a signed operation and maintenance agreements and asset management agreements with service providers acceptable to and agreed in advance with Stonepeak;
- a signed interconnection agreement, where applicable; or
- a signed lease or land purchase agreement, where applicable.

**Exhibit 31.1**

**EVOLVE TRANSITION INFRASTRUCTURE LP**
**CERTIFICATION**

I, Gerald F. Willinger, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Evolve Transition Infrastructure LP;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 10, 2021

/s/ Gerald F. Willinger

Gerald F. Willinger

Chief Executive Officer

Evolve Transition Infrastructure GP, LLC, as general partner of Evolve Transition Infrastructure LP
(Principal Executive Officer)

**Exhibit 31.2**

**EVOLVE TRANSITION INFRASTRUCTURE LP**
**CERTIFICATION**

I, Charles C. Ward, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Evolve Transition Infrastructure LP;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 10, 2021

/s/ Charles C. Ward

Charles C. Ward

Chief Financial Officer and Secretary

Evolve Transition Infrastructure GP, LLC, as general partner of Evolve Transition Infrastructure LP
(Principal Financial Officer)

**Exhibit 32.1**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Gerald F. Willinger, Chief Executive Officer of Evolve Transition Infrastructure GP, LLC, as general partner of Evolve Transition Infrastructure LP, certify pursuant to 18 U.S.C. Section 1350 adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that to my knowledge:

(i) The accompanying Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

(ii) The information contained in such report fairly presents, in all material respects, the financial condition and results of operations of Evolve Transition Infrastructure LP.

/s/ Gerald F. Willinger

Gerald F. Willinger
Chief Executive Officer

Date: November 10, 2021

**Exhibit 32.2**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Charles C. Ward, Chief Financial Officer and Secretary of Evolve Transition Infrastructure GP, LLC, as general partner of Evolve Transition Infrastructure LP, certify pursuant to 18 U.S.C. Section 1350 adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that to my knowledge:

(i) The accompanying Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

(ii) The information contained in such report fairly presents, in all material respects, the financial condition and results of operations of Evolve Transition Infrastructure LP.

/s/ Charles C. Ward

Charles C. Ward

Chief Financial Officer and Secretary

Evolve Transition Infrastructure GP, LLC, as general partner of Evolve Transition Infrastructure LP
(Principal Financial Officer)

Date: November 10, 2021