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As filed with the Securities and Exchange Commission on April 6, 2018

Registration No. 333-

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

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

Construction Partners, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**1600**	**26-0758017**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

290 Healthwest Drive, Suite 2
Dothan, Alabama 36303
(334) 673-9763
(Address, including zip code and telephone number, including area code, of registrant's principal executive offices)

Charles E. Owens
Chief Executive Officer and President
Construction Partners, Inc.
290 Healthwest Drive, Suite 2
Dothan, Alabama 36303
(334) 673-9763
(Name, address, including zip code and telephone number, including area code, of agent for service)

Copies to:

Garrett A. DeVries
Akin Gump Strauss Hauer & Feld LLP
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201
(214) 969-2800

Christopher D. Lueking
Latham & Watkins LLP
330 North Wabash Avenue, Suite 2800
Chicago, Illinois 60611
(312) 876-7700

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

If any securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), check the following box. ☐

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

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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	☒ (Do not check if a smaller reporting company)	Smaller reporting company	☐
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☒

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Proposed Maximum Aggregate Offering Price(1)(2)**	**Amount of Registration Fee**
Class A Common Stock, par value $0.001 per share	$207,000,000.00	$25,771.50

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(o) under the Securities Act.
(2) Includes the offering price of Class A common stock that may be purchased by the underwriters upon the exercise of their option to purchase additional shares.

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

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The information in this preliminary prospectus is not complete and may be changed. Neither we nor the selling stockholders may sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, Dated , 2018

PROSPECTUS

Shares

CONSTRUCTION PARTNERS, INC.
CLASS A COMMON STOCK

This is the initial public offering of Class A common stock of Construction Partners, Inc. We are offering shares of our Class A common stock. The selling stockholders identified in this prospectus are offering shares of our Class A common stock. We will not receive any of the proceeds from the sale of shares of our Class A common stock by the selling stockholders.

Prior to this offering, there has been no public market for our Class A common stock. We anticipate that the initial public offering price for our Class A common stock will be between $ and $ per share. We intend to apply to list our Class A common stock on The Nasdaq Stock Market LLC under the symbol "ROAD."

Investing in our Class A common stock involves substantial risk. See "Risk Factors" on page 15.

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

We are an "emerging growth company" under the U.S. federal securities laws and will be subject to reduced public company reporting requirements.

	Per Share	Total
Initial public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds to us, before expenses	$	$
Proceeds to selling stockholders, before expenses	$	$

(1) We have agreed to reimburse the underwriters for certain expenses. See "Underwriting."

Delivery of the shares of our Class A common stock is expected to be made on or about , 2018.

The selling stockholders have granted the underwriters a 30-day option to purchase up to an additional shares of our Class A common stock at the initial public offering price less underwriting discounts and commissions.

Upon the completion of this offering, we will have two classes of authorized common stock: our Class A common stock and our Class B common stock. The rights of holders of our Class A common stock and our Class B common stock will be identical, except with respect to voting rights, conversion rights and certain transfer restrictions applicable to our Class B common stock. Each share of our Class A common stock will be entitled to one vote. Each share of our Class B common stock will be entitled to votes and is convertible into one share of our Class A common stock automatically upon transfer, subject to certain exceptions. Upon the completion of this offering, the holders of our Class A common stock will hold approximately % of the total voting power of our outstanding common stock and approximately % of our total equity ownership (or % and %, respectively, if the underwriters' option to purchase additional shares is exercised in full), and the holders of our Class B common stock will hold approximately % of the total voting power of our outstanding common stock and approximately % of our total equity ownership (or % and %, respectively, if the underwriters' option to purchase additional shares is exercised in full). See "Description of Our Capital Stock—Common Stock."

Following the completion of this offering, we will be a "controlled company" within the meaning of the corporate governance rules of The Nasdaq Stock Market LLC. See "Management—Director Independence and Controlled Company Exemption."

Baird Raymond James Stephens Inc.

Imperial Capital D.A. Davidson & Co.

Prospectus dated , 2018

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You should rely only on the information contained in this prospectus. Neither we, the selling stockholders nor the underwriters have authorized any other person to provide you with any information, or to make any representations, other than as contained in this prospectus, in any amendment or supplement hereto or in any free writing prospectus prepared by us or on our behalf and delivered or made available to you. Neither we, the selling stockholders nor the underwriters take responsibility for or provide assurance as to the reliability of any information or representations that others may give you. This prospectus is an offer to sell only the shares of our Class A common stock offered hereby, and only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is accurate only as of the date hereof, and we undertake no obligation to update such information, except as may be required by law.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, information contained in this prospectus concerning our industry, our market share and the markets that we serve is based on information from independent industry and research organizations, other third-party sources (including industry publications, surveys and forecasts) and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data and our knowledge of such industry and markets that we believe to be reasonable. Although we believe the data from these third-party sources is reliable, we have not independently verified any such information. In addition, projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements." These and other factors could cause results to differ materially from those expressed in the estimates made by third-parties and by us.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve risks and uncertainties, such as statements related to future events, business strategy, future performance, future operations, backlog, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek," "anticipate," "plan," "continue," "estimate," "expect," "may," "will," "project," "predict," "potential," "targeting," "intend," "could," "might," "should," "believe" and similar expressions or their negative. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on management's belief, based on currently available information, as to the outcome and timing of future events. These statements involve estimates, assumptions, known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those expressed in such forward-looking statements. When evaluating forward-looking statements, you should consider the risk factors and other cautionary statements described in "Risk Factors." We believe the expectations reflected in the forward-looking statements contained in this prospectus are reasonable, but no assurance can be given that these expectations will prove to be correct. Forward-looking statements should not be unduly relied upon.

Important factors that could cause actual results or events to differ materially from those expressed in forward-looking statements include, but are not limited to:

- declines in public infrastructure construction and reductions in government funding, including the funding by transportation authorities and other state and local agencies;
- risks related to our operating strategy;
- competition for projects in our local markets;
- risks associated with our capital-intensive business;
- government requirements and initiatives, including those related to funding for public or infrastructure construction, land usage and environmental, health and safety matters;
- unfavorable economic conditions and restrictive financing markets;
- our ability to successfully identify, manage and integrate acquisitions;
- our ability to obtain sufficient bonding capacity to undertake certain projects;
- our ability to accurately estimate the overall risks, requirements or costs when we bid on or negotiate contracts that are ultimately awarded to us;
- the cancellation of a significant number of contracts or our disqualification from bidding for new contracts;

- risks related to adverse weather conditions;
- our substantial indebtedness and the restrictions imposed on us by the terms thereof;
- our ability to maintain favorable relationships with third parties that supply us with equipment and essential supplies;
- our ability to retain key personnel and maintain satisfactory labor relations;
- property damage, results of litigation and other claims and insurance coverage issues;
- risks related to our information technology systems and infrastructure; and
- our ability to remediate the material weaknesses in internal control over financial reporting identified in preparing our financial statements included in this prospectus and to subsequently maintain effective internal control over financial reporting.

These factors are not necessarily all of the important factors that could cause actual results or events to differ materially from those expressed in forward-looking statements. Other unknown or unpredictable factors could also cause actual results or events to differ materially from those expressed in the forward-looking statements. Our future results will depend upon various other risks and uncertainties, including those described in "Risk Factors." All forward-looking statements attributable to us are qualified in their entirety by this cautionary statement. Forward-looking statements speak only as of the date hereof. We undertake no obligation to update or revise any forward-looking statements after the date on which any such statement is made, whether as a result of new information, future events or otherwise.

PROSPECTUS SUMMARY

This summary highlights basic information about us and this offering contained elsewhere in this prospectus. Because it is a summary, it does not contain all the information you should consider before investing in our Class A common stock. You should read and carefully consider this entire prospectus before making an investment decision, especially the information in "Risk Factors," "Cautionary Statement Regarding Forward-Looking Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the accompanying notes. Except as otherwise indicated or required by the context, all references in this prospectus to the "Company," "we," "us" or "our" refer to Construction Partners, Inc. and its consolidated subsidiaries. All references in this prospectus to the "selling stockholders" refer to those entities identified as selling stockholders in "Principal and Selling Stockholders."

Our Company

We are one of the fastest growing civil infrastructure companies in the United States specializing in the building and maintenance of transportation networks. Our operations leverage a highly skilled workforce, strategically located hot mix asphalt ("HMA") plants, substantial construction assets and select material deposits. We provide construction products and services to both public and private infrastructure projects, with an emphasis on highways, roads, bridges, airports, and commercial and residential sites in the Southeastern United States. Led by industry veterans each with over 30 years of experience operating, acquiring and improving construction companies, we are well-positioned to continue to expand profitably in an industry with attractive growth prospects.

Since our inception in 2001, we have scaled into one of the largest operators in the Southeastern United States, growing from three to 27 HMA plants at March 31, 2018. We operate in a geographic area covering nearly 29,000 miles of highway infrastructure, and we produced 3.2 million tons of HMA in fiscal 2017 for use in more than 900 transportation or infrastructure projects. We maintain a high level of visibility on future infrastructure projects by analyzing the budgets and bidding patterns of state and local departments of transportation ("DOTs") in the markets that we serve. We are therefore able to reliably forecast our bidding opportunities and properly plan for future projects. Our contract backlog at December 31, 2017 was at a record level of $550.9 million, as compared to $369.8 million at December 31, 2016 and $549.9 million at September 30, 2017.

The Southeastern United States is one of the fastest growing regions with respect to population and job growth, which drives additional federal funding to the area. The five states in which we operate (Alabama, Florida, Georgia, North Carolina and South Carolina) have experienced a combined annual population growth of 1.4% from 2000 to 2016, as compared to 0.8% for the rest of the United States, and combined annual economic growth of 2.7% from 2013 to 2016, as compared to 2.1% for the rest of the United States. Additionally, each of these states has recently passed legislation to increase transportation funding.

We have strategically entered each of the markets that we serve to capitalize on substantial public and private infrastructure opportunities in the Southeastern United States. Publicly funded projects accounted for approximately 70% of our fiscal 2017 construction contract revenues. Our public customers include federal agencies, state DOTs and local municipalities. Total public spending on transportation infrastructure in the United States was approximately $279.0 billion in 2014, of which highways and local roads accounted for approximately $165.0 billion, or 59%. We believe transportation infrastructure spending will increase as federal, state and local governments allocate funding to their aging transportation network infrastructures. At the federal level, the Fixing America's Surface Transportation Act of 2015 (the "FAST Act") earmarked $305.0 billion for transportation

infrastructure spending through 2020. The FAST Act builds upon the Moving Ahead for Progress in the 21st Century Act (the "MAP-21 Act"), which was passed in 2012 and provided $105.0 billion of similar funding. Moreover, in February 2018, the current administration announced an infrastructure plan to provide $200.0 billion in federal funds over the next ten years with the intent to spur at least $1.5 trillion in infrastructure investments with partners at the state, local and private levels.

Privately funded projects accounted for approximately 30% of our fiscal 2017 construction contract revenues. We provide a wide range of large sitework construction and HMA paving services to private construction customers, including commercial and residential developers and local businesses. We compete for private construction projects primarily on the basis of the breadth of our service capabilities and our reputation for quality. Private projects also drive demand for external sales of our HMA and aggregates to smaller contractors that do not own HMA or aggregate facilities. We believe we are well-positioned to capitalize on the strong momentum in commercial and residential private construction sectors driven by population and economic expansion in the Southeastern United States.

Supported by our local market presence and knowledge, as well as scale advantages attributable to our vertical integration, geographic reach and strong financial profile, we believe we are a market leader in each of the markets that we serve. For all but the very largest projects, we compete primarily against local firms that have existing asphalt plants and paving operations relatively close to the project site. For most projects, HMA is a critical input that cannot be efficiently transported beyond a relatively short distance. By virtue of this locally driven competitive dynamic, competition in our industry is characterized by relative market share, which we define as the percentage of jobs we win in a local market compared to the jobs we bid in a local market.

Our Competitive Strengths

Leading Market Positions in Strategic Geographic Footprint. Our local market presence and knowledge contributes to our leading position in each of the markets we serve. Our 27 HMA plants are strategically located across Alabama, Florida, Georgia and North Carolina and are near interstate highways with dense road systems. In addition to the four states in which our HMA plants are located, we provide specialty paving services in South Carolina. We believe the Southeastern United States will continue to experience above-average population and economic growth and these factors will lead to additional demand for the transportation infrastructure services we provide. Moreover, this region's temperate climate allows us to work during the majority of the year, thereby enabling us to mitigate the fixed cost of weather-idled facilities and maintain a year-round workforce.

Scale Advantages. We believe our HMA plants, equipment fleet, experienced personnel and bonding capacity provide us with scale advantages over our competitors, which are primarily small- and medium-sized businesses and are often family owned and operated. In addition, our ability to internally source HMA provides project execution and bidding advantages over some of our competitors. Our flexible crews and diverse fleet of equipment are deployed across a wide geographic footprint to perform projects of varying size and scope, which helps us maintain high asset utilization and lower fixed unit costs. Our scale also allows us to fully utilize reclaimed asphalt pavement, which lowers our HMA production costs, and allows us to receive better terms in capital asset purchases with our equipment providers. Most of the projects for which we compete require surety performance bonds as a bidding condition. Many of our competitors are limited in the projects for which they can bid because of such bidding and bonding constraints. Our track record of successful project execution and profitability, coupled with a strong balance sheet, provide us with ample bidding and bonding capacity, allowing us to bid on a large number of projects simultaneously. As such, we have never been prevented from bidding a project due to bidding and bonding requirements. The scale advantages from our leading relative market position support our growth strategy.

Customer and Revenue Diversification. We perform both new construction and maintenance infrastructure services over a wide geographic footprint for both public and private clients. Our largest customers are state DOTs. For the fiscal year ended September 30, 2017, the Alabama DOT and the North Carolina DOT accounted for 14.9% and 13.9% of our revenues, respectively, and projects performed for various Departments of Transportation accounted for 41.9% of revenues. Our 25 largest projects accounted for 22.4% of our fiscal 2017 revenues. While we have the capabilities required to undertake large infrastructure projects, a core principle of our strategy is to perform many smaller projects with varied complexity and short durations. In fiscal 2017, our average project size was $1.7 million and our projects had an average duration of approximately eight months. We believe this strategy, coupled with our disciplined bidding process, yields revenue diversification and enables us to better manage our business through market cycles.

Consistent History of Managing Construction Projects and Contract Risk. Our long and successful track record in each of the markets that we serve demonstrates an understanding of the various risks associated with transportation infrastructure projects. We serve as prime contractor on approximately 70% of our projects and as a subcontractor on the remaining 30%. When serving as prime contractor, we utilize subcontractors to perform approximately 30% of the total project. The vast majority of our projects are fixed unit price contracts, pursuant to which a portion of our revenues is tied to the volume of various project components. We combine our experience, local market knowledge and fully integrated management information systems to effectively bid, execute and manage projects. We capture project costs such as labor and equipment expenses on a daily basis. Our managers review daily project reports to determine whether actual project costs are tracking to budget.

Successful Record of Executing and Integrating Acquisitions. Among our core competencies is successfully identifying, executing and integrating acquisitions. Since 2001, we have completed 15 acquisitions, which have enabled us to expand our end-markets, service offerings and geographic reach. We derive acquisition synergies by expanding the pool of project opportunities of our acquired companies by enhancing their service offerings and bidding capacities. Our acquisition philosophy involves retaining the local management team of the acquired business, maintaining operational decisions at the local level and providing strategic insights and leadership through our senior management team. Acquisition integration primarily involves the implementation of our standardized bidding and management information systems across the functional areas of accounting and operations. These information systems provide acquired companies with the necessary tools to capture and analyze cost and to improve operating results.

Common Processes and Technology Systems. We employ a common set of operational processes and utilize sophisticated technology systems to track all of our operations. These practices and systems are important competitive advantages in several areas of our business. Our uniform estimating and job cost systems, developed for our business and improved internally, offer a critical advantage not only in the procurement of work, but also the procurement of profitable work, by providing an accurate measure of our cost for individual items in a bid. In contrast, we believe many of our competitors have not invested equivalent resources to develop systems with the same level of detail, which can make them less competitive in the bidding process and/or less profitable. We also track and analyze our competitors' historical bids and bidding tendencies, which provides us with a critical bidding advantage. Since all of our project teams utilize the same processes and are trained to the same standards, our management tools allow us to optimize personnel and equipment usage across our project portfolio during project execution, improving asset utilization and providing significant cost savings.

Experienced Management Team and Supportive Sponsor. Our executive officers are seasoned leaders with complementary skill sets and a track record of financial success spanning over 30 years and multiple business

cycles. As former executives of the North American arm of an international construction company, our Chief Executive Officer and our Chief Financial Officer built a civil infrastructure company which operated over 50 HMA plants in five states before its sale in 1999. Collectively, they have successfully completed approximately 50 acquisitions in the civil infrastructure sector over the course of their careers. Our five Senior Vice Presidents possess over 150 years of combined management experience with both publicly and privately held civil infrastructure companies operating in the Southeastern United States. In addition, following this offering, funds managed by SunTx Capital Management Corp. and its affiliates ("SunTx") will continue to own a significant economic interest in our Company. After giving effect to this offering and the Reclassification (as defined herein), SunTx will own shares of our Class B common stock and % of the voting power of our outstanding common stock. The Executive Chairman of our board of directors Ned N. Fleming, III, played a key role in our founding, and we believe that we will continue to benefit from his ongoing involvement following the completion of this offering. Furthermore, we believe that our dual-class capital structure will contribute to the stability and continuity of our board of directors and senior management, allowing them to focus on creating long-term stockholder value.

Our Growth Strategy

Capitalize on Increased State and Federal Spending on U.S. Transportation Infrastructure . There is currently an $836.0 billion backlog of projects to repair deteriorating bridges and highways in the United States. According to the American Society of Civil Engineers, the roads in each of the states in which we operate received infrastructure report cards with a grade of "B-" or "C." We expect the poor condition of the roads in the markets that we serve to provide consistent opportunities for growth. Funding for projects in these markets will come from a variety of sources. In addition to the FAST Act and other legislative proposals, each state in which we operate maintains a transportation infrastructure fund supported primarily by fuel taxes. Whether by state constitution or statute, these funds are generally protected and required to be used for transportation infrastructure purposes. We are well-positioned to take advantage of increased infrastructure spending due to our broad footprint of existing HMA production facilities designed with significant excess capacity across the Southeastern United States.

Organically Expand Our Geographic Footprint. We believe the economic climate of the Southeastern United States is more favorable than other parts of the country with commensurate population growth trends, which will lead to significant future federal, state and local infrastructure spending. We have the financial and organizational resources to add additional workforce and equipment, and we are highly experienced in developing new plant sites to expand into adjacent markets. In addition, we maintain strategic partnerships with subcontractors affording additional scalability in labor and equipment. Our financial profile and track record also facilitate significant growth in bonding capacity—a challenge that may prove difficult for smaller, privately held competitors. We continually evaluate opportunities to expand organically in the Southeastern United States.

Consistent Pursuit of Acquisitions. Over the last 16 years, our consistent organic growth has been augmented by the successful acquisition and integration of 15 complementary construction businesses, establishing us as a leading industry consolidator. Our management team has acquired businesses in a variety of economic cycles, with the number of opportunities generally increasing in cyclical downturns. Our senior management team has successfully completed approximately 50 acquisitions over the course of their careers. Our management team's experience, industry expertise, integrity and strong relationships with industry players allow us to be considered a "buyer-of-choice" with targeted, high-quality prospective targets, most of which are family owned and operated. These advantages, together with the proceeds of this offering and the opportunity to use our equity as a component of acquisition consideration, should further enhance our acquisition prospects. We maintain an acquisition pipeline with a growing number of opportunities to expand our geographic footprint. While most

opportunities in our pipeline consist of add-on acquisitions in the Southeastern United States, we also continuously evaluate platform investments that would allow expansion into states in the Southeastern United States.

Consistent with this strategy, on September 22, 2017, we acquired the ongoing sand and gravel mining operations located in Etowah, Elmore and Autauga counties in Alabama for approximately $10.8 million. This acquisition increased our aggregate reserves and will allow us to further capitalize on vertical integration opportunities. We continue to execute this strategy through the proposed acquisition described below under "Recent Developments."

Continue to Capitalize on Vertical Integration Opportunities. We consume approximately 80% of the HMA we produce and approximately 35% of the aggregates used in the production of HMA are internally sourced. In certain markets, we also mine aggregates, such as sand and gravel, used as raw materials in the production of HMA, which lowers our input costs. We believe there are additional vertical integration opportunities to enhance operational efficiency and allow us to capture additional margin throughout the value chain, including the acquisition or development of additional aggregate sites and liquid asphalt terminals.

Enhance Profitability Through Operational Improvements. We complement sophisticated business practices across our platform with fully integrated management information systems to drive operational efficiencies. With strategic oversight by our management team, operating income margins increased 310 basis points from fiscal 2015 to fiscal 2017. These margin improvements have been accomplished through profit optimization plans and leveraging information technology and financial systems to improve project execution and control costs. Moreover, we improve margins on acquired businesses as we standardize business practices across functional areas, including, but not limited to, estimation, project management, finance, information technology, risk management, purchasing and fleet management.

Strengthen and Support Human Capital. We have an experienced and skilled workforce of over 1,800 employees, which we believe is our most valuable asset. Attracting, training and retaining key personnel have been and will remain critical to our success. We will continue to focus on providing our personnel with training, personal and professional growth opportunities, performance-based incentives, stock ownership opportunities and other competitive benefits in order to strengthen and support our human capital base.

Our Industry

We operate in the large and growing highway and road construction industry, which generated approximately $165.0 billion of revenues in 2014. Federal, state and local DOT budgets drive industry performance, with the public sector generating 95% of total industry revenues in 2016. In 2015, the FAST Act was passed, providing visibility and certainty of funding and planning for state DOTs. The FAST Act earmarked $305.0 billion for transportation infrastructure spending through 2020, with highway and transit projects accounting for $205.0 billion and $48.0 billion, respectively. In February 2018, the current administration announced an infrastructure plan to provide $200.0 billion in federal funds over the next ten years with the intent to spur at least $1.5 trillion in infrastructure investments with partners at the state, local and private levels. This plan could also drive an increase in spending on the significant backlog of national and local transportation infrastructure needs. The non-discretionary nature of highway and road construction services and materials supports highly stable and consistent industry growth.

Additionally, there are strong industry tailwinds in each of the five states in which we operate. The Alabama Transportation Rehabilitation and Improvement Program and Rural Assistance Match Program, created in 2012 and 2013, respectively, are initiatives aimed at investing $1.2 billion and $25.0 million, respectively, on the state's transportation infrastructure. The Florida Department of Transportation received $10.8 billion of funding for the

2017 fiscal year, with $4.1 billion specifically allocated for highway construction projects. In 2015, Georgia passed House Bill 170, replacing 34 short-term funding programs and providing $1.0 billion per year for transportation needs with a focus on the state's backlog of maintenance projects. In 2017, the North Carolina State Transportation Improvement Program increased the state's plan from a $320.0 million two-year program to a ten-year program estimated at $1.6 billion in additional transportation revenue. Finally, in 2016, South Carolina passed Act 275, which provides $4.2 billion in transportation infrastructure funding over the next ten years, an increase of $150.0 million per year over prior funding levels, with $2.0 billion directed toward widening and improving existing interstates and $1.4 billion directed toward pavement resurfacing.

Within the highway and road construction industry, we operate in the asphalt paving materials and services segment. Asphalt paving mix is the most common roadway material used today, covering 94% of the more than 2.7 million miles of paved U.S. roadways. We believe asphalt will continue to be the pavement of choice for roads due to its cost effectiveness, durability and reusability, as well as minimized traffic disruption during paving, as compared to concrete.

Competition is constrained in our industry because participants are limited by the distance that materials can be efficiently transported, resulting in a fragmented market of over 13,300 businesses, many of which are local or regional operators. Participants in these markets range from small, privately-held companies focused on a single material, product or market to multinational corporations that offer a wide array of construction materials, products and paving and related services. In each market, our primary competitors are primarily local businesses, with an occasional large, national corporation providing competition.

Recent Developments

In December 2017, we entered into a non-binding letter of intent, and are currently engaged in discussions, on a proposed acquisition of the ongoing operations of a civil infrastructure company, with three HMA plants and sand mining and processing operations in the Southeastern United States. The proposed acquisition is consistent with our strategy to pursue add-on acquisitions in the Southeastern United States to grow our business. In addition, the proposed acquisition would increase our aggregate reserves and allow us to further capitalize on vertical integration opportunities.

The proposed purchase price is $50.0 million, subject to certain adjustments, which would be payable in cash at closing net of certain assumed liabilities. We expect to use a portion of the net proceeds from this offering and additional borrowings under the Term Loan to fund the acquisition. We do not expect this acquisition to be significant under Rules 3-05 and 1-02(w) of Regulation S-X.

Our completion of the proposed acquisition is subject to numerous conditions and contingencies, including the completion to our satisfaction of our due diligence, the negotiation and execution of definitive agreements, and the satisfaction of closing conditions. There cannot be any assurance that: (1) we will complete the proposed acquisition or provide a date by which the transaction will close; (2) the terms of the transaction will not differ, possibly materially, from those described here; or (3) if we complete the acquisition, we will be able to successfully integrate the acquired operations into our business or the acquired operations will result in increased revenue, profitability or cash flow.

Risk Factors

An investment in our Class A common stock involves a number of risks. You should carefully read and consider all of the information contained in this prospectus (including in "Risk Factors," "Management's Discussion and

Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the notes thereto) before making an investment decision. These risks could adversely affect our business, financial condition and results of operations, and cause the trading price of our Class A common stock to decline. You could lose part or all of your investment. In reviewing this prospectus, you should bear in mind that past results are no guarantee of future performance. See "Cautionary Statement Regarding Forward-Looking Statements" for a discussion of forward-looking statements, and the significance of forward-looking statements in the context of this prospectus.

These risks include, but are not limited to:

- declines in public infrastructure construction and reductions in government funding, including the funding by transportation authorities and other state and local agencies;
- risks related to our operating strategy;
- competition for projects in our local markets;
- risks associated with our capital-intensive business;
- government requirements and initiatives, including those related to funding for public or infrastructure construction, land usage and environmental, health and safety matters;
- unfavorable economic conditions and restrictive financing markets;
- our ability to successfully identify, manage and integrate acquisitions;
- our ability to obtain sufficient bonding capacity to undertake certain projects;
- our ability to accurately estimate the overall risks, requirements or costs when we bid on or negotiate contracts that are ultimately awarded to us;
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- our substantial indebtedness and the restrictions imposed on us by the terms thereof;
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- property damage, results of litigation and other claims and insurance coverage issues;
- risks related to our information technology systems and infrastructure; and
- our ability to remediate the material weaknesses in internal control over financial reporting identified in preparing our financial statements included in this prospectus and to subsequently maintain effective internal control over financial reporting.

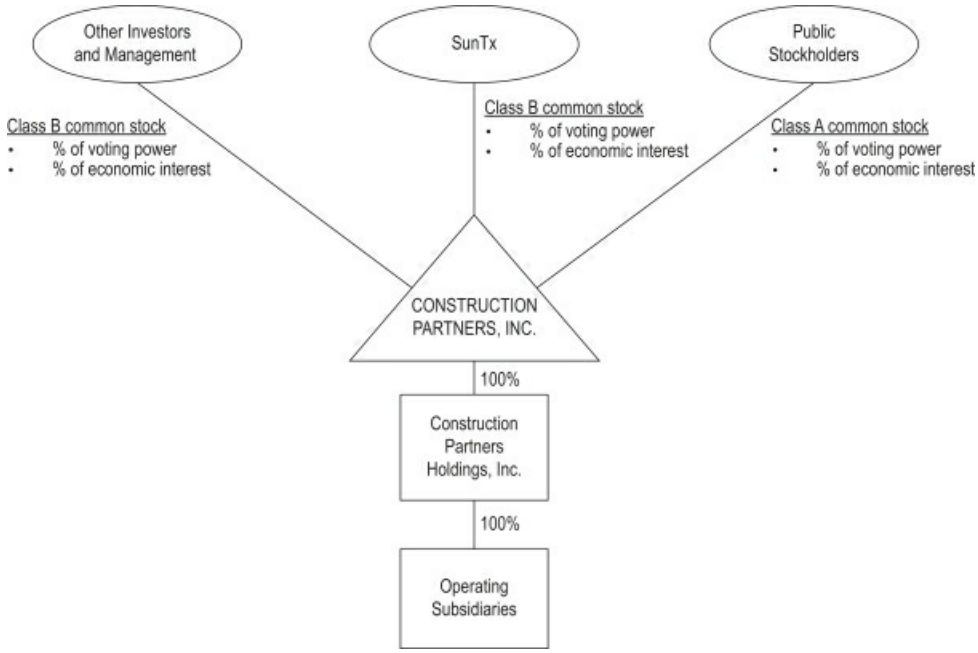
Our Sponsor

SunTx, founded in 2001, is a Dallas-based private equity firm that invests in growth-oriented middle-market manufacturing, distribution and service companies. At March 31, 2017, SunTx had approximately $1.2 billion assets under management.

Corporate History

Construction Partners, Inc. is a holding company that was incorporated as a Delaware corporation in 2007. We operate and control our business and affairs through our wholly owned subsidiaries: Wiregrass Construction Company, Inc., Fred Smith Construction, Inc., Everett Dykes Grassing Co., Inc. and C.W. Roberts Contracting, Inc. Immediately prior to the completion of this offering, we will amend and restate our certificate of incorporation to effectuate a dual class common stock structure consisting of our Class A common stock and our Class B common stock, as a result of which each share of our common stock, par value $0.001 per share, immediately prior to the completion of this offering will, automatically and without any action on the part of the holders thereof, be reclassified and changed into shares of our Class B Common Stock so that all of our equity holders

prior to the completion of this offering will become the holders of our Class B common stock. We refer to this as the "Reclassification." See "Description of Our Capital Stock." The diagram below depicts our organizational structure and ownership immediately following the completion of this offering.



Implications of Being an Emerging Growth Company

As a company with less than $1.07 billion in annual gross revenue during our last fiscal year, we qualify as an "emerging growth company" as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). An emerging growth company may take advantage of specified reduced reporting requirements that are otherwise applicable generally to public companies. These provisions include:

- an option to present only two years of audited financial statements and related management's discussion and analysis in the registration statement of which this prospectus is a part;
- an exemption from compliance with the requirement for auditor attestation of the effectiveness of our internal control over financial reporting for so long as we qualify as an emerging growth company;
- an exemption from compliance with any requirement that the Public Company Accounting Oversight Board may adopt regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements;
- an exemption from the adoption of new or revised financial accounting standards until they would apply to private companies;
- reduced disclosure about our executive compensation arrangements; and
- an exemption from the requirements to obtain anon-binding advisory vote on executive compensation or a stockholder approval of any golden parachute arrangements.

We will remain an emerging growth company until the earliest to occur of: the last day of the year in which we have $1.07 billion or more in annual gross revenue; the date we qualify as a "large accelerated filer" with at least $700.0 million of equity securities held by non-affiliates as of the last day of our most recently completed second quarter; the issuance, in any three-year period, by us of more than $1.0 billion in non-convertible debt securities; and the last day of the year ending after the fifth anniversary of this offering. We may choose to take advantage of some, but not all, of the available benefits under the JOBS Act. We are choosing to irrevocably "opt out" of the extended transition periods available under the JOBS Act for complying with new or revised accounting standards, but we intend to take advantage of certain of the other exemptions discussed above. Accordingly, the information contained herein may be different from the information you receive from other public companies. See "Risk Factors—Risks Related to this Offering and Ownership of Our Class A Common Stock." We cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our Class A common stock less attractive to investors.

Corporate Offices and Internet Address

Our principal operating offices are located at 290 Healthwest Drive, Suite 2, Dothan, Alabama 36303, and our phone number is (334) 673-9763. Our website address is *www.constructionpartners.net*. Information contained on our website is not incorporated by reference in, and does not constitute a part of, this prospectus.

The Offering	
Class A common stock offered by us	shares
Class A common stock offered by the selling stockholders	shares (or shares if the underwriters' option to purchase additional shares is exercised in full)
Class A common stock to be outstanding upon the completion of this offering	shares (or shares if the underwriters' option to purchase additional shares is exercised in full)
Class B common stock to be outstanding upon the completion of this offering	shares (or shares if the underwriters' option to purchase additional shares is exercised in full)
Class A and Class B common stock to be outstanding upon the completion of this offering	shares (or shares if the underwriters' option to purchase additional shares is exercised in full)
Option to purchase additional shares	The selling stockholders have granted to the underwriters a 30-day option to purchase up to additional shares of our Class A common stock at the initial public offering price less the underwriting discount and commissions.
Use of proceeds	We estimate that our net proceeds from this offering, after deducting estimated underwriting discounts and approximately $ million of estimated offering expenses payable by us, will be approximately $ million, assuming an initial public offering price of $ per share (the midpoint of the range set forth on the cover of this prospectus). We will not receive any proceeds from the sale of shares by the selling stockholders. We intend to use these net proceeds to provide growth capital, to fund acquisitions and for general corporate purposes, which may include the repayment of debt from time to time. See "Use of Proceeds."
Dual class common stock	Upon the completion of this offering, the rights of the holders of our Class A common stock and our Class B common stock will be identical, except with respect to voting rights, conversion rights and certain transfer restrictions applicable to our Class B common stock. See "Description of Our Capital Stock —Common Stock." Upon the completion of this offering, the holders of our Class A common stock will be entitled to one vote per share and the holders of our Class B common stock will be entitled to votes per share. The holders of our Class A common stock and our Class B common

	stock will vote together as a single class on all matters unless otherwise required by law. See "Description of Our Capital Stock—Common Stock—Voting Rights." Each share of our Class B common stock may be converted into one share of our Class A common stock at the option of the holder. In addition, each share of our Class B common stock will automatically convert into one share of our Class A common stock upon any transfer, with certain exceptions. See "Description of Our Capital Stock—Common Stock—Conversion and Restrictions on Transfer." Upon the completion of this offering, the holders of our Class A common stock will hold approximately % of the total voting power of our outstanding common stock and approximately % of our total equity ownership (or % and %, respectively, if the underwriters' option to purchase additional shares is exercised in full), and the holders of our Class B common stock will hold approximately % of the total voting power of our outstanding common stock and approximately % of our total equity ownership (or % and %, respectively, if the underwriters' option to purchase additional shares is exercised in full).
Dividend policy	We anticipate that we will retain all future earnings, if any, to finance the growth and development of our business. We do not intend to pay cash dividends in the foreseeable future. See "Dividend Policy."
Listing symbol	We intend to apply to list our Class A common stock on The Nasdaq Stock Market LLC under the symbol "ROAD."
Risk factors	You should carefully read and consider the information in "Risk Factors" on page 15 of this prospectus for a discussion of factors to carefully consider before investing in our Class A common stock.

Unless the context otherwise requires, the information in this prospectus:

- assumes that the shares of our Class A common stock to be sold in this offering are sold at $ per share (the midpoint of the range set forth on the cover of this prospectus);
- assumes that all shares of our Class A common stock offered hereby are sold;
- assumes no exercise by the underwriters of their option to purchase additional shares;
- assumes the filing and effectiveness of our amended and restated certificate of incorporation to effect the Reclassification and the adoption of our amended and restated bylaws, each of which will occur immediately prior to the completion of this offering;
- assumes no exercise of outstanding options; and
- excludes shares of our Class A common stock reserved for issuance under the 2018 Equity Incentive Plan.

Summary Historical Consolidated Financial Data

The following tables present our summary historical consolidated financial data for the periods and at the dates indicated. The statement of income data and statement of cash flows data for the fiscal years ended September 30, 2016 and September 30, 2017 and the balance sheet data at September 30, 2016 and September 30, 2017 are derived from our audited consolidated financial statements and the notes thereto included elsewhere in this prospectus. The statement of income data and statement of cash flows data for the three months ended December 31, 2016 and December 31, 2017 and the balance sheet data at December 31, 2017 are derived from our unaudited consolidated financial statements included elsewhere in this prospectus. We have prepared our unaudited consolidated financial statements on the same basis as our audited consolidated financial statements and have included all adjustments, consisting only of normal recurring adjustments that, in our opinion, are necessary to present fairly the financial information set forth in those statements. The results for any interim period are not necessarily indicative of the results that may be expected for the full year and our historical unaudited results are not necessarily indicative of the results that should be expected in any future period.

The data presented below should be read in conjunction with, and are qualified in their entirety by reference to, "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the notes thereto included elsewhere in this prospectus.

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands except share and per share data)	(unaudited)	(unaudited)		
Statement of Income Data:				
Revenues	$ 122,120	$ 150,421	$ 542,347	$ 568,212
Cost of revenues	103,391	127,623	467,464	477,241
Gross profit	18,729	22,798	74,883	90,971
General and administrative expenses	(10,563)	(12,426)	(40,428)	(47,867)
Gain on sale of equipment, net	254	145	2,997	3,481
Operating income	8,420	10,517	37,452	46,585
Interest expense, net	(1,047)	(297)	(4,662)	(3,960)
Loss on extinguishment of debt	—	—	—	(1,638)
Other expense	(26)	(21)	(227)	(205)
Income before provision (benefit) for income taxes	7,347	10,199	32,563	40,782
Provision (benefit) for income taxes	2,786	(797)	10,541	14,742
Net income	$ 4,561	$ 10,996	$ 22,022	$ 26,040
Net income per share attributable to common stockholders:				
Basic and diluted	$ 2.77	$ 6.65	$ 12.90	$ 15.79
Weighted average number of common shares outstanding:				
Basic and diluted	1,646,924	1,654,426	1,706,711	1,648,821

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands except share and per share data)	(unaudited)	(unaudited)		
Other Financial Data:				
Adjusted EBITDA[1]	$ 13,698	$ 16,171	$ 58,972	$ 67,965
Revenues	122,120	150,421	542,347	568,212
Adjusted EBITDA Margin[1]	11.2%	10.8%	10.9%	12.0%
Statement of Cash Flows Data:				
Net cash provided by operating activities	$ 18,767	$ 19,490	$ 51,694	$ 46,927
Net cash used in investing activities	$ (7,278)	$ (9,318)	$ (19,005)	$ (30,686)
Net cash used in financing activities	$ (2,810)	$ (7,500)	$ (20,881)	$ (39,779)

	September 30,		December 31,
	2016	2017	2017
(in thousands)			
Balance Sheet Data:			
Cash	$ 51,085	$ 27,547	$ 30,219
Total assets	318,282	328,550	315,925
Current and non-current portions of debt, net of deferred debt issuance costs	60,962	57,136	49,655
Total equity	156,283	152,181	163,177

(1) Adjusted EBITDA represents net income before interest expense, net, provision (benefit) for income taxes, depreciation, depletion and amortization, equity-based compensation expense and loss on extinguishment of debt. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of revenues for each period. These metrics are supplemental measures of our operating performance that are neither required by, nor presented in accordance with, generally accepted accounting principles in the United States ("GAAP"). These measures should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP as an indicator of our operating performance. We present Adjusted EBITDA and Adjusted EBITDA Margin because management uses these measures as key performance indicators, and we believe they are measures frequently used by securities analysts, investors and other parties to evaluate companies in our industry. These measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP.

Our calculation of Adjusted EBITDA and Adjusted EBITDA Margin may not be comparable to similarly named measures reported by other companies. Potential differences between our measure of Adjusted EBITDA compared to other similar companies' measures of Adjusted EBITDA may include differences in capital structures, tax positions and the age and book depreciation of intangible and tangible assets.

The following table presents a reconciliation of net income, the most directly comparable measure calculated in accordance with GAAP, to Adjusted EBITDA, and the calculation of Adjusted EBITDA Margin for each of the periods presented.

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands)	(unaudited)	(unaudited)		
Net income	$ 4,561	$ 10,996	$ 22,022	$ 26,040
Interest expense, net	1,047	297	4,662	3,960
Provision (benefit) for income taxes	2,786	(797)	10,541	14,742
Depreciation, depletion and amortization of long-lived assets	5,222	5,675	21,530	21,072
Equity-based compensation expense	82	—	217	513
Loss on extinguishment of debt	—	—	—	1,638
Adjusted EBITDA	$ 13,698	$ 16,171	$ 58,972	$ 67,965
Revenues	$122,120	$150,421	$542,347	$568,212
Adjusted EBITDA Margin	11.2%	10.8%	10.9%	12.0%

RISK FACTORS

An investment in our Class A common stock involves a high degree of risk. You should carefully read and consider the following risks, as well as all of the other information contained in this prospectus, before making an investment decision. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks. As a result, the trading price of our Class A common stock could decline, and you could lose all or part of your investment. The risks described below are not the only ones facing us. Additional risks not presently known to us or that we currently consider immaterial also may adversely affect us.

Risks Related to our Business

A significant slowdown or decline in economic conditions, particularly in the Southeastern United States, could adversely impact our results of operations.

We currently operate in Alabama, Florida, Georgia, North Carolina and South Carolina. A significant slowdown or decline in economic conditions or uncertainty regarding the economic outlook in the United States generally, or in any of these states particularly, could result in reduced demand for infrastructure projects, which could materially adversely affect our financial condition, results of operations and liquidity. Demand for infrastructure projects depends on the overall condition of the U.S. and local economies, the need for new or replacement infrastructure, the priorities placed on various projects funded by governmental entities and federal, state and local government spending levels. In particular, low tax revenues, credit rating downgrades, budget deficits and financing constraints, including timing and amount of federal funding and competing governmental priorities, could negatively impact the ability of government agencies to fund existing or new public infrastructure projects. For example, during the most recent recession, decreases in tax revenues reduced funding for infrastructure projects. In addition, any instability in the financial and credit markets could negatively impact our customers' ability to pay us on a timely basis, or at all, for work on projects already in progress, could cause our customers to delay or cancel construction projects in our contract backlog and/or could create difficulties for customers to obtain adequate financing to fund new construction projects, including through the issuance of municipal bonds.

Our business is dependent on federal, state and local government spending for public infrastructure construction, and reductions in government funding could adversely affect our results of operations.

During the fiscal year ended September 30, 2017, we generated approximately 70% of our construction contract revenues from publicly funded construction projects at the federal, state and local levels. As a result, if publicly funded construction decreases due to reduced federal, state or local funding or otherwise, our financial condition, results of operations and liquidity could be materially adversely affected.

In January 2011, Congress repealed a 1998 transportation law that protected annual highway funding levels from amendments that could reduce such funding. This change subjected federal highway funding to annual appropriation reviews, which has increased the uncertainty of many state DOTs regarding the availability of highway project funds. This uncertainty could cause state DOTs to be reluctant to undertake large multiyear highway projects, which could, in turn, negatively affect our results of operations.

Federal highway bills provide spending authorizations that represent maximum amounts. Each year, Congress passes an appropriation act establishing the amount that can be used for particular programs. The annual funding level is generally tied to receipts of highway user taxes placed in the Highway Trust Fund (as defined in the FAST Act). Once Congress passes the annual appropriation, the federal government distributes funds to each state

based on formulas or other procedures. States generally must spend these funds on the specific programs outlined in the federal legislation. In recent years, the Highway Trust Fund has faced insolvency as outlays have outpaced revenues. Annual shortfalls have been addressed primarily by short-term measures, including the transfer of funds from the General Fund (as defined in the FAST Act) into the Highway Trust Fund. As a result, we cannot be assured of the existence, timing or amount of future federal highway funding. Any reduction in federal highway funding, particularly in the amounts allocated to Alabama, Florida, Georgia, North Carolina and South Carolina, could have a material adverse effect on our results of operations.

Each state funds its infrastructure spending from specially allocated amounts collected from various taxes, typically fuel taxes and vehicle fees, as well as from voter-approved bond programs. Shortages in state tax revenues can reduce the amount spent on state infrastructure projects. Delays in state infrastructure spending can adversely affect our business. Many states have experienced state-level funding pressures caused by lower tax revenues and an inability to finance approved projects. Prior to the FAST Act, states took on a larger role in funding sustained infrastructure investment. During the past two years, many states have again taken on a significantly larger role in funding infrastructure investment, including initiating special-purpose taxes and increased fuel taxes.

While the current administration has announced an infrastructure stimulus plan, we cannot predict the impact, if any, that it or other proposed changes in law and regulations may have on our business.

We derive a significant portion of our revenues from state DOTs. The loss of our ability to competitively bid for certain projects or successfully contract with state DOTs could have a material adverse effect on our business.

Our largest customers are state DOTs. During the fiscal year ended September 30, 2017, the Alabama DOT and the North Carolina DOT accounted for 14.9% and 13.9% of our revenues, respectively, and projects performed for various Departments of Transportation accounted for 41.9% of revenues. We believe that we will continue to rely on state DOTs for a substantial portion of our revenues for the foreseeable future. The loss of, or reduction of, our ability to competitively bid for, certain projects or successfully contract with a state DOT could have a material adverse effect on our financial condition, results of operation and liquidity. See Note 2 (Significant Accounting Policies), Concentration of Risks, to the consolidated financial statements for the fiscal year ended September 30, 2017 included elsewhere in this prospectus, for information relating to concentrations of revenues by type of customer and for a description of our largest customers.

Government contracts generally are subject to a variety of governmental regulations, requirements and statutes, the violation or alleged violation of which could have a material adverse effect on our business.

During the fiscal year ended September 30, 2017, approximately 70% of our construction contract revenues were derived from contracts funded by federal, state and local governmental agencies. Our contracts with these governmental agencies are generally subject to specific procurement regulations, contract provisions and a variety of socioeconomic requirements relating to their formation, administration, performance and accounting and often include express or implied certifications of compliance. Further, government contracts typically provide for termination at the convenience of the customer with requirements to pay us for work performed through the date of termination. We may be subject to claims for civil or criminal fraud for actual or alleged violations of these various governmental regulations, requirements or statutes. In addition, we may also be subject to *qui tam* litigation brought by private individuals on behalf of the government under the Federal Civil False Claims Act, which could include claims for up to treble damages. Further, if we fail to comply with any of these various governmental regulations, requirements or statutes or if we have a substantial number of accumulated Occupational Safety and Health Administration (“OSHA”), Mine Safety and Health Administration (“MSHA”) or

other workplace safety violations, our existing government contracts could be terminated, and we could be suspended from government contracting or subcontracting, including federally funded projects at the state level. Even if we have not violated these various governmental regulations, requirements or statutes, allegations of violations or defending *qui tam* litigation could harm our reputation and require us to incur material costs to defend any such allegations or lawsuits. Should one or more of these events occur, it could have a material adverse effect on our financial condition, results of operations, cash flow and liquidity.

If we do not comply with certain federal or state laws, we could be suspended or debarred from government contracting, which could have a material adverse effect on our business.

Various statutes to which our operations are subject, including the Davis-Bacon Act (regulating wages and benefits), the Walsh-Healy Act (prescribing a minimum wage and regulating overtime and working conditions), Executive Order 11246 (establishing equal employment opportunity and affirmative action requirements) and the Drug-Free Workplace Act, provide for mandatory suspension and/or debarment of contractors in certain circumstances involving statutory violations. In addition, the Federal Acquisition Regulation and various state statutes provide for discretionary suspension and/or debarment in certain circumstances, including as a result of being convicted of, or being found civilly liable for, fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public contract or subcontract. The scope and duration of any suspension or debarment may vary depending upon the facts of a particular case and the statutory or regulatory grounds for debarment. Any suspension or debarment from government contracting could have a material adverse effect on our financial condition, results of operations or liquidity.

If we are unable to accurately estimate the overall risks, revenues or costs on our projects, we may incur contract losses or achieve lower than anticipated profits.

Pricing on a fixed unit price contract is based on approved quantities irrespective of our actual costs, and contracts with a fixed total price require that the work be performed for a single price irrespective of our actual costs. We only generate profits on fixed unit price and fixed total price contracts when our revenues exceed our actual costs, which requires us to accurately estimate our costs, to control actual costs and to avoid cost overruns. If our cost estimates are too low or if we do not perform the contract within our cost estimates, then cost overruns may cause us to incur a loss or cause the contract not to be as profitable as we expected. The costs incurred and profit realized, if any, on our contracts can vary, sometimes substantially, from our original projections due to a variety of factors, including, but not limited to:

- the failure to include materials or work in a bid, or the failure to estimate properly the quantities or costs needed to complete a fixed total price contract;
- delays caused by weather conditions or otherwise failing to meet scheduled acceptance dates;
- contract or project modifications or conditions creating unanticipated costs that are not covered by change orders;
- changes in the availability, proximity and costs of materials, including liquid asphalt cement, aggregates and other construction materials, as well as fuel and lubricants for our equipment;
- to the extent not covered by contractual cost escalators, variability and inability to predict the costs of purchasing diesel, liquid asphalt and cement;
- the availability and skill level of workers;
- the failure by our suppliers, subcontractors, designers, engineers or customers to perform their obligations;
- fraud, theft or other improper activities by our suppliers, subcontractors, designers, engineers, customers or our own personnel;
- mechanical problems with our machinery or equipment;
- citations issued by a government authority, including under OSHA or MSHA;

- difficulties in obtaining required government permits or approvals;
- changes in applicable laws and regulations;
- uninsured claims or demands from third parties for alleged damages arising from the design, construction or use and operation of a project of which our work is part; and
- public infrastructure customers seeking to impose contractual risk-shifting provisions that result in our facing increased risks.

These factors, as well as others, may cause us to incur losses, which could have a material adverse effect on our financial condition, results of operations or liquidity.

Because our industry is capital intensive and we have significant fixed and semi-fixed costs, our profitability is sensitive to changes in volume.

The property, plants and equipment needed to produce our products and provide our services can be very expensive. We must spend a substantial amount of capital to purchase and maintain such property, plants and equipment. Although we believe our current cash balance, along with our projected internal cash flows and available financing sources, will provide sufficient cash to support our currently anticipated operating and capital needs, if we are unable to generate sufficient cash to purchase and maintain the property, plants and equipment necessary to operate our business, we may be required to reduce or delay planned capital expenditures or to incur additional indebtedness. In addition, due to the level of fixed and semi-fixed costs associated with our business, particularly at our HMA production facilities, volume decreases could have a material adverse effect on our financial condition, results of operations or liquidity.

The cancellation of a significant number of contracts, our disqualification from bidding for new contracts and the unpredictable timing of new contracts could have a material adverse effect on our business.

We could be prohibited from bidding on certain government contracts if we fail to maintain qualifications required by those entities. In addition, government contracts can typically be canceled at any time with our receiving payment only for the work completed. The cancellation of an unfinished contract or our disqualification from the bidding process could result in lost revenues and cause our equipment to be idled for a significant period of time until other comparable work becomes available. Additionally, the timing of project awards is unpredictable and outside of our control. Project awards, including expansions of existing projects, often involve complex and lengthy negotiations and competitive bidding processes.

The success of our business depends, in part, on our ability to execute on our acquisition strategy, to successfully integrate acquired businesses and to retain key employees of acquired businesses.

Over the last 16 years, we have acquired and integrated 15 complementary businesses, which have contributed to a significant portion of our growth. We continue to evaluate strategic acquisition opportunities that have the potential to support and strengthen our business, including acquisitions in states in the Southeastern United States, as part of our ongoing growth strategy. We expect to evaluate, negotiate and enter into possible acquisition transactions on an ongoing basis in the future. We expect to regularly make non-binding acquisition proposals, and we may enter into non-binding, confidential letters of intent from time to time in the future. We cannot predict the timing or size of any future acquisitions. To successfully acquire a significant target, we may need to raise additional equity and/or indebtedness, which could increase our leverage level. There can be no assurance that we will enter into definitive agreements with respect to any contemplated transaction or that any contemplated transaction will be completed. The investigation of acquisition candidates and the negotiation, drafting and execution of relevant agreements, disclosure documents and other instruments will require substantial

management time and attention and substantial costs for accountants, attorneys and others. If we fail to complete any acquisition for any reason, including events beyond our control, the costs incurred up to that point for the proposed acquisition likely would not be recoverable.

Acquisitions typically require integration of the acquired company's estimation, project management, finance, information technology, risk management, purchasing and fleet management functions. We may be unable to successfully integrate an acquired business into our existing business, and an acquired business may not be as profitable as we had expected or at all. Our inability to successfully integrate new businesses in a timely and orderly manner could increase costs, reduce profits or generate losses. Factors affecting the successful integration of an acquired business include, but are not limited to, the following:

- we may become liable for certain liabilities of an acquired business, whether or not known to us, which could include, among others, tax liabilities, product liabilities, environmental liabilities and liabilities for employment practices, and these liabilities could be significant;
- we may not be able to retain local managers and key employees who are important to the operations of an acquired business;
- substantial attention from our senior management and the management of an acquired business may be required, which could decrease the time that they have to service and attract customers;
- we may not effectively utilize new equipment that we acquire through acquisitions;
- the complete integration of an acquired company depends, to a certain extent, on the full implementation of our financial and management information systems, business practices and policies; and
- we may actively pursue a number of opportunities simultaneously and we may encounter unforeseen expenses, complications and delays, including difficulties in employing sufficient staff and maintaining operational and management oversight.

Acquisitions involve risks that the acquired business will not perform as expected and that business judgments concerning the value, strengths and weaknesses of the acquired business will prove incorrect. In addition, potential acquisition targets may be in states in which we do not currently operate, which could result in unforeseen operating difficulties and difficulties in coordinating geographically dispersed operations, personnel and facilities. In addition, if we enter into new geographic markets, we may be subject to additional and unfamiliar legal and regulatory requirements.

We cannot guarantee that we will achieve synergies and cost savings in connection with future acquisitions. Many of the businesses that we have acquired and may acquire in the future have unaudited financial statements that have been prepared by management and have not been independently reviewed or audited. We cannot guarantee that such financial statements would not be materially different if such statements were independently reviewed or audited. We cannot guarantee that we will continue to acquire businesses at valuations consistent with our prior acquisitions or that we will complete future acquisitions at all. We cannot guarantee that there will be attractive acquisition opportunities at reasonable prices, that financing will be available or that we can successfully integrate acquired businesses into our existing operations. In addition, our results of operations from these acquisitions could, in the future, result in impairment charges for any of our intangible assets, including goodwill or other long-lived assets, particularly if economic conditions worsen unexpectedly. Our inability to effectively manage the integration of our completed and future acquisitions could prevent us from realizing expected rates of return on an acquired business and could have a material and adverse effect on our financial condition, results of operations or liquidity.

We may lose business to competitors that underbid us, and we may be unable to compete favorably in our highly competitive industry.

Most of our project awards are determined through a competitive bidding process in which price is the determining factor. Because of the high cost of transporting HMA, our ability to win a project award is often influenced by the

distance between a work site and our HMA plants. We compete against multiple competitors in all of the markets in which we operate, most of which are local or regional operators. Some of our competitors are larger than we are, are vertically integrated and/or have similar or greater financial resources than we do. As a result, our competitors may be able to bid at lower prices than we can due to the location of their plants or as a result of their size or vertical-integration advantages. Government funding for public infrastructure projects is limited, thus contributing to competition for the limited number of public projects available. An increase in competition may result in a decrease in new project awards to us at acceptable profit margins. In addition, in the event of a downturn in private residential and commercial construction, the competition for available public infrastructure projects could intensify, which could materially and adversely impact our financial condition, results of operations or liquidity.

We may be unable to obtain or maintain sufficient bonding capacity, which could materially adversely affect our business.

A significant number of our contracts require performance and payment bonds. Our ability to obtain performance and payment bonds primarily depends upon our capitalization, working capital, past performance, management expertise, reputation and certain external factors, including the overall capacity of the surety market. If we are unable to renew or obtain a sufficient level of bonding capacity in the future, we may be precluded from being able to bid for certain projects or successfully contract with certain customers. In addition, even if we are able to successfully renew or obtain performance or payment bonds, we may be required to post letters of credit in connection with such bonds, which could negatively affect our liquidity and results of operations.

It is standard for sureties to issue or continue bonds on a project-by-project basis, and they can decline to do so at any time or require the posting of additional collateral as a condition thereto. Events that adversely affect the insurance and bonding markets generally may result in bonding becoming more difficult to or costly to obtain in the future. If we were to experience an interruption or reduction in the availability of our bonding capacity as a result of these or any other reasons, or if bonding costs were to increase, we may be unable to compete for certain projects that require bonding, which would materially and adversely affect our financial condition, results of operations or liquidity.

Our business is seasonal and subject to adverse weather conditions, which can adversely impact our business.

Our construction operations occur outdoors. As a result, seasonal changes and adverse weather conditions can adversely affect our business operations through a decline in both the use and production of HMA, a decline in the demand for our construction services and alterations and delays in our construction schedules. Adverse weather conditions such as extended rainy and cold weather in the spring and fall can reduce demand for our products and reduce sales or render our contracting operations less efficient resulting in under-utilization of crews and equipment and lower contract profitability. Major weather events such as hurricanes, tornadoes, tropical storms and heavy snows could also adversely affect our revenues and profitability.

Construction materials production and shipment levels follow activity in the construction industry, which typically occurs in the spring, summer and fall. Warmer and drier weather during the third and fourth quarters of our fiscal year typically results in higher activity and revenues during those quarters. Our first and second fiscal quarters typically have lower levels of activity due to weather conditions. Our third fiscal quarter varies greatly with spring rains and wide temperature variations. A cool wet spring increases drying time on projects, which can delay sales in our third fiscal quarter, while a warm dry spring may enable earlier project startup.

We are dependent on information technology and our systems and infrastructure face certain risks, including cyber security risks and data leakage risks.

We are dependent on information technology systems and infrastructure that could be damaged or interrupted by a variety of factors. Any significant breach, breakdown, destruction or interruption of these systems by employees, others with authorized access to our systems or unauthorized persons has the potential to negatively affect our operations. There is also a risk that we could experience a business interruption, theft of information or reputational damage as a result of a cyberattack, such as the infiltration of a data center, or data leakage of confidential information either internally or at our third-party providers. Although we have invested in the protection of our data and information technology to reduce these risks and periodically test the security of our information systems network, there can be no assurance that our efforts will prevent breakdowns or breaches in our systems that could have a material adverse effect on our financial condition, results of operations and liquidity.

Design-build contracts subject us to the risk of design errors and omissions.

Design-build contracts are used as a method of project delivery that provides the owner with a single point of responsibility for both design and construction. We generally subcontract design responsibility to architectural and engineering firms. However, in the event of a design error or omission that causes damages, there is a risk that the subcontractor and/or its errors and omissions insurance would not be able to absorb the full amount of the liability incurred. In this case, we may be responsible for the liability, resulting in a potentially material adverse effect on our financial position, results of operations, cash flows and liquidity.

Our continued success requires us to hire, train and retain qualified personnel and subcontractors in a competitive industry.

The success of our business depends upon our ability to attract, train and retain qualified, reliable personnel, including, but not limited to, our executive officers and key management personnel. Additionally, the successful operation of our business depends upon engineers, project management personnel, other employees and qualified subcontractors who possess the necessary and required experience and expertise and who will perform their respective services at a reasonable and competitive rate. Competition for these and other experienced personnel is intense, and it may be difficult to attract and retain qualified individuals with the requisite expertise and in the timeframe demanded by our clients. In certain geographic areas, for example, we may not be able to satisfy the demand for our services because of our inability to successfully hire, train and retain qualified personnel. Also, it could be difficult to replace personnel who hold government granted eligibility that may be required to obtain certain government projects and/or who have significant government contract experience.

As some of our executives and other key personnel approach retirement age, we must provide for smooth transitions, which may require that we devote time and resources to identify and integrate new personnel into vacant leadership roles and other key positions. If we are unable to attract and retain a sufficient number of skilled personnel or effectively implement appropriate succession plans, our ability to pursue projects and our strategic plan may be adversely affected, the costs of executing both our existing and future projects may increase and our financial performance may decline.

In addition, the cost of providing our services, including the extent to which we utilize our workforce, affects our profitability. For example, the uncertainty of contract award timing can present difficulties in matching our workforce size with our contracts. If an expected contract award is delayed or not received, we could incur costs resulting from excess staff or redundancy of facilities that could have a material adverse impact on our business, financial conditions and results of operations.

We depend on third parties for equipment and supplies essential to operate our business.

We rely on third parties to sell or lease properties, plants and equipment to us and to provide us with supplies, including liquid asphalt cement, aggregates and other construction materials (such as stone, gravel and sand), necessary for our operations. We cannot assure you that our favorable working relationships with our suppliers will continue in the future. In addition, there have historically been periods of supply shortages in our industry.

The inability to purchase or lease the properties, plants or equipment that are necessary for our operations could severely impact our business. If we lose our supply contracts and receive insufficient supplies from third parties to meet our customers' needs, or if our suppliers experience price increases or disruptions to their business, such as labor disputes, supply shortages or distribution problems, our business, financial condition, results of operations, liquidity and cash flows could be materially and adversely affected.

We consume natural gas, electricity, diesel fuel, liquid asphalt and other petroleum-based resources that are subject to potential reliability issues, supply constraints and significant price fluctuations, which could have a material adverse effect on our financial condition, results of operations and liquidity.

In our production and distribution processes, we consume significant amounts of natural gas, electricity, diesel fuel, liquid asphalt and other petroleum-based resources. The availability and pricing of these resources are subject to market forces that are beyond our control, such as unavailability due to refinery turnarounds, higher prices charged for petroleum-based products, and other factors. Furthermore, we are vulnerable to any reliability issues experienced by our suppliers, which also are beyond our control. Our suppliers contract separately for the purchase of such resources, and our sources of supply could be interrupted should our suppliers not be able to obtain these materials due to higher demand or other factors that interrupt their availability. Additionally, increases in the costs of fuel and other petroleum-based products utilized in our operations, particularly increases following a bid based on lower costs for such products, could result in a lower profit, or a loss, on a contract. Variability in the supply and prices of these resources could have a material adverse effect on our financial condition, results of operations and liquidity.

Our contract backlog is subject to reductions in scope and cancellations and therefore could be an unreliable indicator of our future earnings.

At December 31, 2017, our contract backlog was $550.9 million compared to $369.8 million at December 31, 2016 and $549.9 million at September 30, 2017. Our contract backlog generally consists of construction projects for which we either have an executed contract or commitment with a client or where we are the current low bid. Contract backlog does not include external sales of HMA and aggregates. Moreover, our contract backlog reflects our expected revenues from the contract, commitment or bid, which is often subject to revision over time. We cannot guarantee that the revenues projected in our contract backlog will be realized or, if realized, will be profitable. Projects reflected in our contract backlog may be affected by project cancellations, scope adjustments, time extensions or other changes. Such changes may adversely affect the revenues and profit we ultimately realize on these projects.

Failure of our subcontractors to perform as expected could have a negative impact on our results.

As described in "Business—Types of Contracts and Contract Management," we rely on third-party subcontractors to perform some of the work on many of our contracts, but we are ultimately responsible for the successful completion of their work. Although we seek to require bonding or other forms of guarantees from all of our subcontractors, we are not always able to obtain such bonds or guarantees. In situations where we are unable to

obtain a bond or guarantee, we may be responsible for the failures on the part of our subcontractors to perform as anticipated, resulting in a potentially adverse impact on our cash flows and liquidity. In addition, if the total costs of a project exceed our original estimates, we could experience reduced profits or a loss for that project, which could have an adverse impact on our financial position, results of operations, cash flows and liquidity.

The construction services industry is highly schedule driven, and our failure to meet the schedule requirements of our contracts could adversely affect our reputation and/or expose us to financial liability.

In some instances, including in the case of many of our fixed unit price contracts, we guarantee that we will complete a project by a certain date. Any failure to meet contractual schedule or completion requirements set forth in our contracts could subject us to responsibility for costs resulting from the delay, generally in the form of contractually agreed-upon liquidated damages, liability for our customer's actual costs arising out of our delay, reduced profits or a loss on that project, damage to our reputation and a material adverse impact to our financial position, results of operations, cash flows and liquidity.

Increasing restrictions on securing aggregate reserves could have a negative impact on our future results of operations.

Increasingly strict regulations and the limited nature of property containing useful aggregate reserves have made it increasingly challenging and costly to obtain aggregate reserves. Although we have been able to obtain adequate reserves to support our business in the past, our financial position, results of operations, cash flows and liquidity may be adversely affected by increasingly strict regulations.

Force majeure events, such as natural disasters and terrorists' actions, and unexpected equipment failures could negatively impact our business, which may affect our financial condition, results of operations or cash flows.

Force majeure events, such as terrorist attacks or natural disasters, have impacted, and could continue to negatively impact, the U.S. economy and the markets in which we operate. As an example, from time to time we face unexpected severe weather conditions, evacuation of personnel and curtailment of services, increased labor and material costs or shortages, inability to deliver materials, equipment and personnel to work sites in accordance with contract schedules and loss of productivity. We seek to include language in our private client contracts that grants us certain relief from force majeure events, and we regularly review and attempt to mitigate force majeure events in both public and private client contracts. However, the extra costs incurred as a result of these events may not be reimbursed by our clients, and we remain obligated to perform our services after most extraordinary events subject to relief that may be available pursuant to a force majeure clause.

Additionally, our manufacturing processes are dependent upon critical pieces of equipment, such as our HMA plants. This equipment, on occasion, may be out of service as a result of unanticipated failures or damage during accidents. Any significant interruption in production capability may require us to make significant capital expenditures to remedy problems or damage as well as cause us to lose revenues due to lost production time.

These force majeure events may affect our operations or those of our customers or suppliers and could impact our revenues, our production capability and our ability to complete contracts in a timely manner.

Inability to obtain or maintain adequate insurance coverage could adversely affect our results of operations.

As part of our overall risk management strategy and pursuant to requirements to maintain specific coverage that are contained in our financing agreements and in a majority of our contracts, we have obtained and maintain insurance coverage.

Although we have been able to obtain reasonably priced insurance coverage to meet our requirements in the past, there is no assurance that we will be able to do so in the future. For example, catastrophic events can result in decreased coverage limits, more limited coverage, and increased premium costs or deductibles. If we are unable to obtain adequate insurance coverage, we may not be able to procure certain contracts, which could materially adversely affect our financial position, results of operations, cash flows or liquidity.

We could incur material costs and losses as a result of claims that our products do not meet regulatory requirements or contractual specifications.

We provide our customers with products designed to comply with building codes or other regulatory requirements as well as any applicable contractual specifications, including, but not limited to durability, compressive strength and weight-bearing capacity. If our products do not satisfy these requirements and specifications, material claims may arise against us and our reputation could be damaged and, if any such claims are for an uninsured, non-indemnified or product-related claim, resolution of such claim against us could have a material adverse effect on our financial condition, results of operations or liquidity.

Environmental, health and safety laws and regulations and any changes to, or liabilities arising under, such laws and regulations could have a material adverse effect on our financial condition, results of operations and liquidity.

As described in "Business—Environmental Regulations," our operations are subject to stringent and complex federal, state and local laws and regulations governing the discharge of materials into the environment, health and safety aspects of our operations or otherwise relating to environmental protection. These laws and regulations may impose numerous obligations applicable to our operations, including: the acquisition of a permit or other approval before conducting regulated activities; the restriction of the types, quantities and concentration of materials that can be released into the environment; the limitation or prohibition of activities on certain lands lying within wilderness, wetlands, and other protected areas; the application of specific health and safety criteria addressing worker protection; and the imposition of substantial liabilities for pollution resulting from our operations. Numerous government authorities, such as the U.S. Environmental Protection Agency (the "EPA") and analogous state agencies, have the power to enforce compliance with these laws and regulations and the permits issued under them. Such enforcement actions often involve difficult and costly compliance measures or corrective actions. Failure to comply with these laws and regulations may result in the assessment of sanctions, including administrative, civil or criminal penalties, natural resource damages, the imposition of investigatory or remedial obligations, and the issuance of orders limiting or prohibiting some or all of our operations. In addition, we may experience delays in obtaining, or be unable to obtain, required permits, which may delay or interrupt our operations and limit our growth and revenue.

Certain environmental laws impose strict liability (i.e., no showing of "fault" is required) or joint and several liability for costs required to remediate and restore sites where hazardous substances, hydrocarbons or solid wastes have been stored or released. We may be required to remediate contaminated properties currently or formerly owned or operated by us or third-party facilities that received waste generated by our operations regardless of whether such contamination resulted from the conduct of others or from the consequences of our own actions that were in compliance with all applicable laws at the time those actions were taken. In connection with certain acquisitions, we could acquire, or be required to provide indemnification against, environmental liabilities that could expose us to material losses. Furthermore, the existence of contamination at properties we own, lease or operate could result in increased operational costs or restrictions on our ability to use those properties as intended, including for mining purposes.

In certain instances, citizen groups also have the ability to bring legal proceedings against us if we are not in compliance with environmental laws, or to challenge our ability to receive environmental permits that we need to operate. In addition, claims for damages to persons or property, including natural resources, may result from the environmental, health and safety impacts of our operations. Our insurance may not cover all environmental risks and costs or may not provide sufficient coverage if an environmental claim is made against us. Moreover, public interest in the protection of the environment has increased dramatically in recent years. The trend of more expansive and stringent environmental legislation and regulations applied to our industry could continue, resulting in increased costs of doing business and consequently affecting profitability.

The risks associated with climate change, as well as climate change legislation and regulations, could adversely affect our operations and financial condition.

The physical risks of climate change, such as more frequent or more extreme weather events, changes in temperature and precipitation patterns, changes to ground and surface water availability and other related phenomena, could affect some, or all, of our operations. Severe weather or other natural disasters could be destructive, which could result in increased costs, including supply chain costs.

In addition, a number of government bodies have finalized, proposed or are contemplating legislative and regulatory changes in response to growing concerns about climate change. In recent years, federal, state and local governments have taken steps to reduce emissions of greenhouse gases ("GHGs"). The EPA has finalized a series of GHG monitoring, reporting and emissions control rules for certain large sources of GHGs, and the U.S. Congress has, from time to time, considered adopting legislation to reduce GHG emissions. Nearly half of the states have already taken measures to reduce GHG emissions, primarily through the development of GHG emission inventories and/or regional GHG cap-and-trade programs. While the Trump Administration has announced that the United States will withdraw from international commitments to reduce GHG emissions, it is not clear how this goal will be accomplished, and many state and local officials have announced their commitment to upholding such commitments.

Although it is not possible at this time to predict how future legislation or regulations to address GHG emissions would impact our business, any such laws and regulations imposing reporting obligations on, or limiting emissions of GHGs from, our equipment and operations, could require us to incur costs to reduce GHG emissions associated with our operations. Because we emit GHGs through the manufacture of HMA products and through the combustion of fossil fuels as part of our mining and road construction services, such laws and regulations could have a material adverse effect on our operating results and financial condition.

Our operations are subject to special hazards that may cause personal injury or property damage, subjecting us to liabilities and possible losses which may not be covered by insurance.

Operating hazards inherent in our business, some of which may be outside our control, can cause personal injury and loss of life, damage to or destruction of property, plant and equipment and environmental damage. We maintain insurance coverage in amounts and against the risks we believe are consistent with industry practice, but this insurance may be inadequate or unavailable to cover all losses or liabilities we may incur in our operations. Our insurance policies are subject to varying levels of deductibles. Losses up to our deductible amounts are accrued based upon our estimates of the ultimate liability for claims incurred and an estimate of claims incurred but not reported. However, liabilities subject to insurance are difficult to estimate due to unknown factors, including the severity of an injury, the determination of our liability in proportion to other parties, the number of unreported incidents and the effectiveness of our safety programs. If we were to experience insurance claims or costs above our estimates, we may be required to use working capital to satisfy these claims rather than using working capital to maintain or expand our operations.

Our substantial indebtedness could adversely affect our financial condition and prevent us from fulfilling our obligations.

Construction Partners Holdings, Inc. ("Construction Partners Holdings"), our wholly owned subsidiary, has a credit agreement with Compass Bank, as Agent, Sole Lead Arranger and Sole Bookrunner (as amended, the "Compass Credit Agreement"). The Compass Credit Agreement provides for a $50.0 million term loan (the "Term Loan") and a $30.0 million revolving credit facility (the "Revolving Credit Facility"). We guarantee the obligations under the Term Loan and the Revolving Credit Facility. A significant portion of our cash flow will be required to pay interest and principal on our outstanding indebtedness, and we may be unable to generate sufficient cash flow from operations, or have future borrowings available, to enable us to repay our indebtedness or to fund other liquidity needs. This level of indebtedness could have important consequences, including the following:

- we may be required to use a significant percentage of our cash flow from operations for debt service and the repayment of our indebtedness, and any such cash flow would not be available for other purposes;
- our ability to borrow money or issue equity to fund our working capital, capital expenditures, acquisitions and debt service requirements may be limited;
- our interest expense could increase if interest rates in general increase because a portion of our indebtedness bears interest at floating rates;
- our flexibility in planning for or reacting to changes in our business and future business opportunities may be limited;
- we may be more highly leveraged than some of our competitors, which may place us at a competitive disadvantage;
- we may be more vulnerable to a downturn in our business or the economy; and
- our ability to exploit business opportunities may be limited.

Despite our substantial indebtedness, we and our subsidiaries may still be able to incur additional debt. This could reduce our ability to satisfy our current obligations and further exacerbate the risks to our financial condition described above.

At December 31, 2017, we had $45.0 million outstanding under the Term Loan and $5.0 million outstanding under the Revolving Credit Facility. In addition, we and our subsidiaries may be able to incur significant additional indebtedness in the future, and we may do so, among other reasons, to fund acquisitions as part of our growth strategy. Although the Compass Credit Agreement contains restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and we could incur substantial additional indebtedness in compliance with these restrictions.

The Compass Credit Agreement restricts our ability and the ability of our subsidiaries to engage in some business and financial transactions.

The Compass Credit Agreement contains a number of covenants that limit our ability and the ability of our subsidiaries to:

- incur additional indebtedness or guarantees;
- create liens on assets;
- change our or their fiscal year;
- enter into sale and leaseback transactions;
- enter into certain restrictive agreements;
- engage in mergers or consolidations;
- participate in partnerships and joint ventures;
- sell assets;

- incur additional liens;
- pay dividends or distributions and make other restricted payments;
- make investments, loans or advances;
- repay or amend terms of subordinated indebtedness;
- make certain acquisitions;
- enter into certain operating leases;
- enter into certain hedge transactions;
- amend material contracts; and
- engage in certain transactions with affiliates.

The Compass Credit Agreement also requires us to maintain a fixed charge coverage ratio and a consolidated leverage ratio, and contains certain customary representations and warranties, affirmative covenants and events of default (including, among others, an event of default upon a change of control). If an event of default occurs, the lenders under the Compass Credit Agreement will be entitled to take various actions, including the acceleration of amounts due thereunder and all actions permitted to be taken by a secured creditor. Our failure to comply with our obligations under the Compass Credit Agreement may result in an event of default under the Compass Credit Agreement. A default, if not cured or waived, may permit acceleration of our indebtedness. If our indebtedness is accelerated, we cannot be certain that we will have sufficient funds available to pay the accelerated indebtedness or that we will have the ability to refinance the accelerated indebtedness on terms favorable to us or at all.

We may need to raise additional capital in the future for working capital, capital expenditures and/or acquisitions, and we may not be able to do so on favorable terms or at all, which would impair our ability to operate our business or achieve our growth objectives.

Our ongoing ability to generate cash is important for the funding of our continuing operations, making acquisitions and servicing our indebtedness. To the extent that existing cash balances and cash flow from operations, together with borrowing capacity under our Revolving Credit Facility, are insufficient to make investments or acquisitions or provide needed working capital, we may require additional financing from other sources. Our ability to obtain such additional financing in the future will depend in part upon prevailing capital market conditions, as well as conditions in our business and our operating results, and those factors may affect our efforts to arrange additional financing on terms that are acceptable to us. Furthermore, if global economic, political or other market conditions adversely affect the financial institutions that provide credit to us, it is possible that our ability to draw upon our Revolving Credit Facility may be impacted. If adequate funds are not available, or are not available on acceptable terms, we may not be able to make future investments, take advantage of acquisitions or other opportunities, or respond to competitive challenges, resulting in loss of market share, each of which could have a material adverse impact on our financial position, results of operations, cash flows and liquidity.

We may be unable to identify and contract with qualified Disadvantaged Business Enterprise contractors to perform as subcontractors.

Some of our contracts with governmental agencies contain minimum Disadvantaged Business Enterprise (“DBE”) participation clauses, which require us to maintain a requisite level of DBE participation. If we fail to obtain or maintain such requisite level of DBE participation, we could be held responsible for breach of contract. Such breach may result in the placement of restrictions on our ability to bid on future projects as well as monetary damages. To the extent we are responsible for monetary damages, the total costs of the project could exceed our original estimates, we could experience reduced profits or a loss for that project and there could be a material adverse impact to our financial position, results of operations, cash flows or liquidity.

Failure to maintain safe work sites could result in significant losses, which could materially affect our business and reputation.

Because our employees and others are often in close proximity with mechanized equipment, moving vehicles, chemical substances and dangerous manufacturing processes, our construction and maintenance sites are potentially dangerous workplaces. Therefore, safety is a primary focus of our business and is critical to our reputation and performance. Many of our clients require that we meet certain safety criteria to be eligible to bid on contracts, and some of our contract fees or profits are subject to satisfying safety criteria. Unsafe work conditions also can increase employee turnover, which increases project costs and therefore our overall operating costs. If we fail to implement safety procedures or implement ineffective safety procedures, our employees could be injured, and we could be exposed to investigations and possible litigation. Our failure to maintain adequate safety standards through our safety programs could also result in reduced profitability or the loss of projects or clients, and could have a material adverse impact on our financial position, results of operations, cash flows or liquidity.

In connection with acquisitions, we have recorded goodwill and other intangible assets that could become impaired and adversely affect our operating results. Assessing whether impairment has occurred requires us to make significant judgments and assumptions about the future, which are inherently subject to risks and uncertainties, and if actual events turn out to be materially less favorable than the judgments we make and the assumptions we use, we may be required to record impairment charges in the future.

At September 30, 2017 and December 31, 2017, we had $30.6 million of goodwill recorded on our Consolidated Balance Sheets. We assess goodwill for impairment annually or more often if required. Our assessments involve a number of estimates and assumptions that are inherently subjective, require significant judgment regarding highly uncertain matters that are subject to change. The use of different assumptions or estimates could materially affect the determination as to whether or not an impairment has occurred. In addition, if future events are less favorable than what we assumed or estimated in our impairment analysis, we may be required to record an impairment charge, which could have a material impact on our consolidated financial statements.

Our earnings are affected by the application of accounting standards and our critical accounting policies, which involve subjective judgments and estimates by our management. Our actual results could differ from the estimates and assumptions used to prepare our financial statements.

The accounting standards we use in preparing our financial statements are often complex and require that we make significant estimates and assumptions in interpreting and applying those standards. These estimates and assumptions affect the reported values of assets, liabilities, revenues and expenses, and the disclosure of contingent liabilities. We make critical estimates and assumptions involving accounting matters, including our revenue recognition, contracts receivable including retainage, valuation of long-lived assets and goodwill, income taxes, accrued insurance costs and share based payments and other equity transactions. These estimates and assumptions involve matters that are inherently uncertain and require our subjective and complex judgments. If we used different estimates and assumptions or used different ways to determine these estimates, our financial results could differ.

Our actual business and financial results could differ from our estimates of such results, which could have a material negative impact on our financial condition and reported results of operations. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates.”

The percentage-of-completion method of accounting for contract revenues involves significant estimates that may result in material adjustments, which could result in a charge against our earnings.

We recognize contract revenues using the percentage-of-completion accounting method. Under this method, revenues are recognized as costs are incurred in an amount equal to cost plus the related expected profit based on the ratio of costs incurred to estimated final costs. Contract costs consist of direct costs on contracts, including labor, materials, amounts payable to subcontractors and those indirect costs related to contract performance, such as equipment costs, insurance and employee benefits. Contract cost is recorded as incurred, and revisions in contract revenues and cost estimates are reflected in the accounting period when known. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Changes in job performance, job conditions and estimated profitability, including those changes arising from contract change orders, penalty provisions and final contract settlements, may result in revisions to costs and income and are recognized in the period in which the revisions are determined. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Estimated contract losses are recognized in full when determined. Total contract revenues and cost estimates are reviewed and revised at a minimum on a quarterly basis as the work progresses and as change orders are approved. Adjustments based upon the percentage-of-completion are reflected in contract revenues in the period when these estimates are revised. To the extent that these adjustments result in an increase or a reduction in or an elimination of previously reported contract profit, we recognize a credit or a charge against current earnings, as applicable. Such credits or charges could be material and could cause our results to fluctuate materially from period to period.

Accounting for our contract related revenues and costs, as well as other expenses, requires management to make a variety of significant estimates and assumptions. Although we believe we have the experience and processes to enable us to formulate appropriate assumptions and produce reasonably dependable estimates, these assumptions and estimates may change significantly in the future and could result in the reversal of previously recognized revenues and profit. Such changes could have a material adverse effect on our financial position and results of operations.

Recently enacted U.S. tax legislation may adversely affect our business, results of operations, financial condition and cash flow.

On December 22, 2017, the President of the United States signed into law Public Law No. 115-97, commonly referred to as the Tax Cuts and Jobs Act, following its passage by the United States Congress. The Tax Cuts and Jobs Act will make significant changes to U.S. federal income tax laws, including changing the corporate tax rate to a flat 21% rate, introducing a capital investment deduction in certain circumstances, placing certain limitations on the interest deduction, modifying the rules regarding the usability of certain net operating losses, and making extensive changes to the U.S. international tax system. We are currently in the process of analyzing the effects of this new legislation on our business, results of operations, financial condition and cash flow. The impact of these new rules is uncertain and could be adverse.

Risks Related to this Offering and Ownership of Our Class A Common Stock

The dual class structure of our common stock will have the effect of concentrating voting control with SunTx and its affiliates, which will limit or preclude your ability to influence corporate matters.

Our Class B common stock has votes per share, and our Class A common stock, which is being sold in this offering, has one vote per share. Holders of our Class B common stock, including SunTx, its affiliates and

certain other stockholders, will together hold approximately % of the voting power of our outstanding common stock following the completion of this offering. Because of the -to-one voting ratio between our Class B common stock and our Class A common stock, the holders of our Class B common stock will collectively continue to control a majority of the combined voting power of our common stock and therefore be able to control all matters submitted to our stockholders. This concentrated control will limit or preclude your ability to influence corporate matters for the foreseeable future.

Future transfers of shares of our Class B common stock will generally result in those shares converting into shares of our Class A common stock, subject to limited exceptions, such as certain transfers to permitted transferees. See "Description of Our Capital Stock—Common Stock—Conversion and Restrictions on Transfer." The conversion of shares of our Class B common stock into our Class A common stock will have the effect, over time, of increasing the relative voting power of those holders of shares of our Class B common stock who retain their shares in the long-term. See "Description of Our Capital Stock—Common Stock—Voting Rights."

We will incur increased costs as a result of being a public company, which may significantly affect our financial condition.

As a public company, we will incur significant legal, accounting and other expenses that we did not incur as a private company, including costs associated with our public company reporting requirements. We also anticipate that we will incur costs associated with corporate governance requirements, including requirements under the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") and the Dodd-Frank Act of 2010 and rules implemented by the Securities and Exchange Commission (the "SEC"). We expect these rules and regulations to increase our legal and financial compliance costs and to make some activities more time-consuming and costly, particularly after we are no longer an "emerging growth company" (as defined in the JOBS Act). For example, as a result of becoming a publicly traded company, we are required to adopt policies regarding internal controls and disclosure controls and procedures, including the preparation of reports on internal control over financial reporting. We also expect these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our board of directors or as executive officers. We are currently evaluating these rules, and we cannot predict or estimate the amount of additional costs we may incur or the timing of such costs.

We estimate that we will incur approximately $2.5 million of incremental costs per year associated with being a publicly traded company. However, it is possible that our actual incremental costs of being a publicly traded company will be higher than we currently estimate. After we are no longer an emerging growth company, we expect to incur significant additional expenses and devote substantial management effort toward ensuring compliance with those requirements applicable to companies that are not emerging growth companies, including Section 404 of the Sarbanes-Oxley Act.

For so long as we are an "emerging growth company" we will not be required to comply with certain disclosure requirements that are applicable to other public companies, and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our Class A common stock less attractive to investors.

We are an "emerging growth company" (as defined in the JOBS Act), and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-

Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We cannot predict if investors will find our Class A common stock less attractive because we will rely on these exemptions. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock, and our Class A common stock price may be more volatile.

We will remain an emerging growth company until the earliest to occur of the last day of the fiscal year during which our total revenues equals or exceeds $1.07 billion, the last day of the fiscal year following the fifth anniversary of this offering, the date on which we have, during the previous three-year period, issued more than $1.0 billion in non-convertible debt securities and the date on which we are deemed to be a "large accelerated filer" under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

We will be subject to certain requirements of Section 404 of the Sarbanes-Oxley Act. If we are unable to timely comply with such requirements or if the costs related to compliance are significant, our profitability, stock price, results of operations and financial condition could be materially adversely affected.

We will be required to comply with certain provisions of Section 404 of the Sarbanes-Oxley Act, which requires that we document and test our internal control over financial reporting and issue management's assessment of our internal control over financial reporting beginning with the fiscal year ended September 30, 2019. This section also requires that our independent registered public accounting firm opine on those internal controls upon becoming an accelerated filer, as defined in the SEC rules, or otherwise ceasing to qualify for an exemption from the requirement to provide auditors' attestation on internal controls afforded to emerging growth companies under the JOBS Act.

We believe that the out-of-pocket costs, the diversion of management's attention from running the day-to-day operations and operational changes caused by the need to comply with the requirements of Section 404 of the Sarbanes-Oxley Act could be significant. If the time and costs associated with such compliance exceed our current expectations and our results of operations could be adversely affected.

We cannot be certain at this time that we will be able to successfully complete the procedures, certification and attestation requirements of Section 404 of the Sarbanes-Oxley Act or that we or our auditors will not identify further material weaknesses in internal control over financial reporting. If we fail to comply with such requirements, or if at any time after becoming a public company, we or our auditors identify and report any material weaknesses, the accuracy and timeliness of the filing of our annual and quarterly reports may be materially adversely affected and could cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our Class A common stock. In addition, a material weakness in the effectiveness of our internal control over financial reporting could result in an increased chance of fraud and the loss of customers, reduce our ability to obtain financing, subject us to investigations by the SEC or other regulatory authorities and require additional expenditures to comply with these requirements, each of which could have a material adverse effect on our business, results of operations and financial condition.

We have identified material weaknesses in our internal control over financial reporting, and if we are unable to achieve and maintain effective internal control over financial reporting, investors could lose confidence in our financial statements and our Company, which could have a material adverse effect on our business and our stock price.

In the course of preparing the financial statements that are included in this prospectus, our management has determined that we have material weaknesses in our internal control over financial reporting, which relate to the

design and operation of our information technology general controls and overall closing and financial reporting processes, including our accounting for significant and unusual transactions. We have concluded that these material weaknesses in our internal control over financial reporting are due to the fact that, prior to this offering, we were a private company with limited resources and did not have the necessary business processes and related internal controls formally designed and implemented coupled with the appropriate resources with the appropriate level of experience and technical expertise to oversee our business processes and controls surrounding information technology general controls, our closing and financial reporting processes and to address the accounting and financial reporting requirements related to significant and unusual transactions.

In order to remediate these material weaknesses, we are taking the following actions: (i) we are actively seeking additional accounting and finance staff members and a senior accounting officer with public company reporting experience, to augment our current staff and to improve the effectiveness of our closing and financial reporting processes; and (ii) we have engaged a third-party to assist us with formalizing our business processes, accounting policies and internal controls documentation and related internal controls and strengthening supervisory reviews by our management.

If we fail to fully remediate these material weaknesses or fail to maintain effective internal controls in the future, it could result in a material misstatement of our financial statements that would not be prevented or detected on a timely basis, which could cause investors to lose confidence in our financial information or cause the trading price of our Class A common stock to decline. Our independent registered public accounting firm has not assessed the effectiveness of our internal control over financial reporting and, under the JOBS Act, will not be required to provide an attestation report on the effectiveness of our internal control over financial reporting so long as we qualify as an emerging growth company, which may increase the risk that weaknesses or deficiencies in our internal control over financial reporting go undetected.

There has been no public market for our Class A common stock and, if the price of our Class A common stock fluctuates significantly, your investment could lose value.

Prior to this offering, there has been no public market for our Class A common stock. Although we intend to apply for listing of our Class A common stock on The Nasdaq Stock Market LLC, we cannot guarantee that an active public market will develop for our Class A common stock or that our Class A common stock will trade in the public market subsequent to this offering at or above the initial public offering price. If an active public market for our Class A common stock does not develop, the trading price and liquidity of our Class A common stock will be materially and adversely affected. If there is a thin trading market or "float" for our Class A common stock, the market price for our Class A common stock may fluctuate significantly more than the stock market as a whole. Without a large float, our Class A common stock is less liquid than the securities of companies with broader public ownership and, as a result, the trading prices of our Class A common stock may be more volatile. In addition, in the absence of an active public trading market, investors may be unable to liquidate their investment in our Company. The initial offering price, which will be negotiated between us and the underwriters, may not be indicative of the trading price for our Class A common stock after this offering. In addition, the stock market is subject to significant price and volume fluctuations, and the price of our Class A common stock could fluctuate widely in response to several factors, including:

- our quarterly or annual operating results;
- investment recommendations by securities analysts following our business or our industry;
- additions or departures of key personnel;
- changes in the business, earnings estimates or market perceptions of our competitors;
- our failure to achieve operating results consistent with securities analysts' projections;

- changes in industry, general market or economic conditions; and
- announcements of legislative or regulatory change.

The stock market has experienced significant price and volume fluctuations in recent years that have significantly affected the quoted prices of the securities of many companies, including companies in our industry. The changes often appear to occur without regard to specific operating performance. The price of our Class A common stock could fluctuate based upon factors that have little or nothing to do with our Company and these fluctuations could materially reduce the price for our Class A common stock.

Certain of our directors and senior management have limited experience managing public companies, which could adversely affect our financial position.

Certain members of our senior management and certain of our directors have not previously managed a publicly traded company and may be unsuccessful in doing so. The demands of managing a publicly traded company are significant, and some members of our senior management and some of our directors may not be able to meet these increased demands. Failure to effectively manage our business could adversely affect our overall financial position.

Future sales, or the perception of future sales, by us or our existing stockholders in the public market following the completion of this offering could cause the market price for our Class A common stock to decline.

After this offering, the sale of shares of our Class A common stock in the public market, or the perception that such sales could occur, could harm the prevailing market price of shares of our Class A common stock. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

Upon the completion of this offering, we will have outstanding a total of shares of our Class A common stock and shares of our Class B common stock that are convertible by the holders thereof at any time into an equal number of shares of our Class A common stock. Of the outstanding shares, the shares sold in this offering (or shares if the underwriters' option to purchase additional shares is exercised in full) will be freely tradable without restriction or further registration under the Securities Act, except that any shares held by our affiliates, as that term is defined under Rule 144 of the Securities Act ("Rule 144"), including our directors, executive officers and other affiliates (including affiliates of SunTx) may be sold only in compliance with the limitations described in "Shares Eligible for Future Sale."

The remaining shares of our Class B common stock, representing % of our total outstanding shares of our common stock following the completion of this offering, will be "restricted securities" within the meaning of Rule 144 and subject to certain restrictions on resale following the completion of this offering. Restricted securities may be sold in the public market only if they are registered under the Securities Act or are sold pursuant to an exemption from registration such as Rule 144. See "Shares Eligible for Future Sale."

In connection with this offering, we, our directors and executive officers, the selling stockholders and substantially all holders of our common stock prior to this offering have each agreed with the underwriters, subject to certain exceptions, not to dispose of or hedge any of our or their common stock or securities convertible into or exchangeable for shares of such common stock during the period from the date hereof continuing through date that is 180 days after the date hereof, except with the prior written consent of the representatives of the underwriters. See "Underwriting."

Upon the expiration of the lock-up agreements described above, shares of our common stock will be eligible for resale, of which would be subject to volume, manner of sale and other limitations under Rule 144. In addition, pursuant to a registration rights agreement, SunTx and certain other stockholders have the right, subject to certain conditions, to require us to register the sale of their shares of common stock under the Securities Act. By exercising their registration rights and selling a large number of shares, these stockholders could cause the prevailing market price of our Class A common stock to decline. Following completion of this offering, the shares covered by registration rights would represent approximately % of our total common stock outstanding (or %, if the underwriters' option to purchase additional shares is exercised in full). Registration of any of these outstanding shares of common stock would result in such shares becoming freely tradable without compliance with Rule 144 upon effectiveness of the registration statement. See "Shares Eligible for Future Sale."

As restrictions on resale end or if these stockholders exercise their registration rights, the market price of the shares of our Class A common stock could drop significantly if the holders of these shares sell them or are perceived by the market as intending to sell them. These factors could also make it more difficult for us to raise additional funds through future offerings of our Class A common stock or other securities.

In the future, we may also issue our securities in connection with offerings or acquisitions. The number of shares of our Class A common stock issued in connection with offerings or acquisitions could constitute a material portion of the then-outstanding shares of our Class A common stock. Any issuance of additional securities in connection with offerings or acquisitions would result in additional dilution to you.

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

We, our directors and executive officers, the selling stockholders and substantially all holders of our common stock have entered into lock-up agreements with respect to our and their respective shares of common stock. As restrictions on resale end, the market price of our Class A common stock could decline if the holders of restricted shares sell them or are perceived by the market as intending to sell them. The underwriters, at any time and without notice, may release all or any portion of the shares of common stock subject to the foregoing lock-up agreements entered into in connection with this offering. If the restrictions under the lock-up agreements are waived, shares of common stock will be available for sale into the market, which could reduce the market value for our Class A common stock.

Affiliates of SunTx control us, and their interests may conflict with ours or yours in the future.

Immediately following the completion of this offering, affiliates of SunTx will beneficially own % of our Class B common stock, representing % of the combined voting power of our common stock. Each share of our Class B common stock will have votes per share, and our Class A common stock, which is the stock being sold in this offering, will have one vote per share. As a result, affiliates of SunTx will have the ability to elect all of the members of our board of directors and thereby control our policies and operations, including the appointment of management, future issuances of our Class A common stock or other securities, the payment of dividends, if any, on our Class A common stock, the incurrence of debt by us, amendments to our amended and restated certificate of incorporation and amended and restated bylaws, and the entering into of extraordinary transactions. This concentration of voting control could deprive you of an opportunity to receive a premium for your shares of our Class A common stock as part of a sale of our Company and ultimately might affect the market price of our Class A common stock. In addition we have engaged, and expect to continue to engage, in related party transactions involving SunTx and certain companies they control. As a result, the interests of affiliates of SunTx may not in all cases be aligned with your interests. See "Certain Relationships and Related Party Transactions."

In addition, SunTx may have an interest in pursuing acquisitions, divestitures and other transactions that, in its judgment, could enhance its investment, even though such transactions might involve risks to you. For example, SunTx could cause us to make acquisitions that increase our indebtedness or cause us to sell revenue-generating assets. SunTx is in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete directly or indirectly with us. Our amended and restated certificate of incorporation will provide that none of SunTx, any of its affiliates or any director who is not employed by us or his or her affiliates will have any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we operate. SunTx also may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us.

So long as SunTx and its affiliates continue to beneficially own a sufficient number of shares of our Class A common stock and our Class B common stock, even if they own significantly less than 50% of the shares of our outstanding Class A common stock, they will continue to be able to effectively control our decisions. For example, if our Class B common stock amounted to 15% of our outstanding common stock, holders of our Class B common stock (including SunTx and its affiliates) would collectively control approximately % of the voting power of our common stock. Shares of our Class B common stock may be transferred to an unrelated third party if a majority of the shares of our Class B common stock held by SunTx and its affiliates have consented to such transfer in writing in advance.

If securities or industry analysts do not publish research or reports about our business, if they adversely change their recommendations regarding our Class A common stock or if our operating results do not meet their expectations, the price of our Class A common stock could decline.

The trading market for our Class A common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of these analysts cease coverage of our Company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause the price or trading volume of our Class A common stock to decline. Moreover, if one or more of the analysts who cover our Company downgrades our Class A common stock or if our operating results do not meet their expectations, the price of our Class A common stock could decline.

Purchasers in this offering will experience immediate dilution.

The initial public offering price is substantially higher than the pro forma net tangible book value per share of our outstanding common stock. As a result, you will experience immediate and substantial dilution of approximately $ per share of our Class A common stock, representing the difference between our net tangible book value per share of our common stock at September 30, 2017, after giving effect to this offering, and an assumed initial public offering price of $ (the midpoint of the range set forth on the cover of this prospectus). A $1.00 increase (decrease) in the assumed initial public offering price of $ per share of our Class A common stock (the midpoint of the range set forth on the cover of this prospectus) would increase (decrease) our net tangible book value per share of our Class A common stock after giving effect to this offering by $ million, and increase (decrease) the dilution to new investors by $, assuming the number of shares of our Class A common stock offered by us, as set forth on the cover of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offered expenses payable by us. See “Dilution.”

We may issue preferred stock with terms that could adversely affect the voting power or value of our Class A common stock.

Our amended and restated certificate of incorporation will authorize us to issue, without the approval of our stockholders, one or more classes or series of preferred stock having such designations, preferences, limitations and relative rights, including preferences over our Class A common stock respecting dividends and distributions, as our board of directors may determine. The terms of one or more classes or series of preferred stock could adversely impact the voting power or value of our Class A common stock. For example, we might grant holders of preferred stock the right to elect some number of our directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences we might assign to holders of preferred stock could affect the residual value of our Class A common stock.

Provisions in our amended and restated certificate of incorporation and amended and restated bylaws and Delaware law make it more difficult to effect a change in control of our Company, which could adversely affect the price of our Class A common stock.

Certain provisions in our amended and restated certificate of incorporation and amended and restated bylaws and Delaware corporate law could delay or prevent a change in control of our Company, even if that change would be beneficial to our stockholders. Our amended and restated certificate of incorporation and amended and restated bylaws will contain provisions that may make acquiring control of our Company difficult, including:

- a dual class common stock structure, which currently provides SunTx and its affiliates and the other holders of our Class B common stock with the ability to control the outcome of matters requiring stockholder approval, so long as they continue to beneficially own a sufficient number of shares of our Class B common stock, even if they own significantly less than 50% of the shares of our outstanding common stock;
- a classified board of directors with three year staggered terms;
- provisions regulating the ability of our stockholders to nominate directors for election or to bring matters for action at annual meetings of our stockholders;
- limitations on the ability of our stockholders to call a special meeting and act by written consent;
- the ability of our board of directors to adopt, amend or repeal bylaws, and the requirement that the affirmative vote of holders representing at least 66 2/3% of the voting power of all outstanding shares of capital stock be obtained for stockholders to amend our amended and restated bylaws;
- the requirement that the affirmative vote of holders representing at least 66 2/3% of the voting power of all outstanding shares of capital stock be obtained to remove directors;
- the requirement that the affirmative vote of holders representing at least 66 2/3% of the voting power of all outstanding shares of capital stock be obtained to amend our amended and restated certificate of incorporation; and
- the authorization given to our board of directors to issue and set the terms of preferred stock without the approval of our stockholders.

These provisions also could discourage proxy contests and make it more difficult for you and other stockholders to elect directors and take other corporate actions. As a result, these provisions could make it more difficult for a third party to acquire us, even if doing so would benefit our stockholders, which may limit the price that investors are willing to pay in the future for shares of our Class A common stock.

Our amended and restated certificate of incorporation designates courts in the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or other employees.

Our amended and restated certificate of incorporation provides that, subject to limited exceptions, a state court located within the State of Delaware is the sole and exclusive forum for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders;
- any action asserting a claim against us arising pursuant to any provision of the Delaware General Corporation Law (the "DGCL"); or
- any action asserting a claim against us that is governed by the internal affairs doctrine.

In addition, our amended and restated certificate of incorporation provides that if any action specified above (each is referred to herein as a covered proceeding), is filed in a court other than a court located within the State of Delaware (each is referred to herein as a foreign action), the claiming party will be deemed to have consented to (i) the personal jurisdiction of state and federal courts located within the State of Delaware in connection with any action brought in any such court to enforce the exclusive forum provision described above and (ii) having service of process made upon such claiming party in any such enforcement action by service upon such claiming party's counsel in the foreign action as agent for such claiming party.

These provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and employees. Alternatively, if a court were to find these provisions of our amended and restated certificate of incorporation inapplicable to, or unenforceable in respect of, one or more of the covered proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition.

Since we will be a "controlled company" for purposes of the corporate governance requirements of the rules of The Nasdaq Stock Market LLC and the rules of the SEC, our stockholders will not have, and may never have, the protections that these corporate governance requirements are intended to provide.

After completion of this offering, SunTx and its affiliates will continue to control a majority of the voting power of our outstanding common stock. As a result, we will be a "controlled company" within the meaning of the corporate governance standards of the rules of The Nasdaq Stock Market LLC and the SEC. As a result, we will not be required to comply with the provisions requiring that a majority of our directors be independent, the compensation of our executives be determined by independent directors or nominees for election to our board of directors be selected by independent directors. Because we intend to take advantage of some or all of these exemptions, our stockholders may not have the protections that these rules are intended to provide. Our status as a controlled company could cause our Class A common stock to look less attractive to certain investors or otherwise reduce the trading price of our Class A common stock.

We do not intend to pay cash dividends on our Class A common stock in the foreseeable future, and therefore only appreciation, if any, of the price of our Class A common stock will provide a return to our stockholders.

We currently anticipate that we will retain all future earnings, if any, to finance the growth and development of our business. We do not intend to pay cash dividends on our Class A common stock in the foreseeable future. Any

future determination as to the declaration and payment of cash dividends will be at the discretion of our board of directors and will depend upon our financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors deemed relevant by our board of directors. In addition, the terms of the Compass Credit Agreement restricts our ability to pay cash dividends. As a result, only appreciation of the price of our Class A common stock, which may not occur, will provide a return to our stockholders.

USE OF PROCEEDS

We estimate that our net proceeds from this offering, after deducting estimated underwriting discounts and commissions and approximately $ million of estimated offering expenses payable by us, will be $ million, assuming an initial public offering price of $ per share (the midpoint of the range set forth on the cover of this prospectus). We will not receive any proceeds from the sale of shares by the selling stockholders. We intend to use these net proceeds to provide growth capital, to fund acquisitions and for general corporate purposes, which may include the repayment of debt from time to time.

As discussed in the section titled "Summary—Recent Developments," we have entered into a non-binding letter of intent to acquire the ongoing operations of a civil infrastructure company in the Southeastern United States. If we complete this transaction according to the terms contained in the letter of intent, we would use approximately $30.0 million of the net proceeds of this offering and additional borrowings under the Term Loan as consideration for the acquisition.

At December 31, 2017, we had total borrowings of $45.0 million outstanding under the Term Loan and $5.0 million outstanding under the Revolving Credit Facility with an interest rate of 3.569% on outstanding borrowings.

A $1.00 increase or decrease in the assumed initial public offering price per share of our Class A common stock would cause our net proceeds from this offering to increase or decrease by approximately $ million, assuming the number of shares of our Class A common stock offered by us remains the same and after deducting the estimated underwriting discounts and commissions and offering expenses payable by us.

DIVIDEND POLICY

On December 21, 2016, our board of directors declared a cash dividend of approximately $31.3 million, or $19.00 per share of our common stock, to the holders of shares of record at December 15, 2016. The cash dividend was paid on January 10, 2017.

We intend to retain all available funds and any future earnings for use in the operation and expansion of our business and do not anticipate declaring or paying any cash dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that our board of directors considers relevant. In addition, the terms of the Compass Credit Agreement restrict our ability to pay cash dividends to the holders of our common stock unless, after giving effect to such dividend, we would be in compliance with the financial covenants and, at the time any such dividend is made, no default or event of default exists or would result from the payment of such dividend.

CAPITALIZATION

The following table sets forth our cash and capitalization at December 31, 2017:

- on an actual basis;
- on a pro forma basis, to reflect the Reclassification, including: (i) the filing and effectiveness of our amended and restated certificate of incorporation; (ii) the classification of all shares of our common stock into shares of our Class B common stock; and (iii) the authorization of our Class A common stock; and
- on a pro forma as adjusted basis, to give further effect to: (i) the sale of shares of our Class A common stock by us in this offering at an assumed initial public offering price of $ per share (the midpoint of the range set forth on the cover of this prospectus) and our receipt of an estimated $ million of net proceeds from this offering after deducting estimated underwriting discounts and commissions and offering expenses payable by us; and (ii) the reclassification of shares of our Class B common stock to a like amount of our Class A common stock upon the sale of such shares by the selling stockholders in this offering.

You should read the following table in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the notes thereto included elsewhere in this prospectus.

	At December 31, 2017		
	Actual	Pro Forma	Pro Forma As Adjusted[1]
(in thousands, except per share data)		(unaudited)	
Cash	$ 30,219	$	$
Long-term debt (including current maturities)[2]	$ 49,655	$	$
Stockholders' equity:			
Preferred stock, par value $0.001; 1,000,000 shares authorized and no shares issued and outstanding, actual; shares authorized and no shares issued and outstanding, pro forma and pro forma as adjusted	—	—	
Common stock, par value $0.001; 5,000,000 shares authorized, 1,785,221 shares issued and 1,654,426 shares outstanding, actual; no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	2	—	—
Class A common stock, par value $0.001; no shares authorized, issued and outstanding, actual and pro forma; shares authorized and shares issued and outstanding, pro forma as adjusted	—	—	—
Class B common stock, par value $0.001; no shares authorized, issued and outstanding, actual; shares authorized and shares issued and outstanding, pro forma; shares authorized and shares issued and outstanding, pro forma as adjusted	—		
Additional paid-in capital	142,428		
Treasury stock, at cost	(11,983)		
Retained earnings	32,730		
Total stockholders' equity	163,177		
Total capitalization	$212,832	$	$

(1) A $1.00 increase or decrease in the assumed initial public offering price per share of our Class A common stock would increase or decrease each of cash, additional paid-in-capital and total capitalization by approximately $ million, assuming the number of shares of our Class A common stock offered by us remains the same and after deducting the estimated underwriting discounts and commissions and offering expenses payable by us. The pro forma as adjusted information is illustrative only, and will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing.

(2) Represents borrowings outstanding under the Compass Credit Agreement, net of deferred debt issuance costs of $0.3 million. At December 31, 2017, we had total borrowings of $45.0 million outstanding under the Term Loan and $5.0 million outstanding under the Revolving Credit Facility. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Compass Credit Agreement."

If the underwriters exercise their option to purchase additional shares of our Class A common stock from the selling stockholders in full, pro forma as adjusted cash, total stockholders' equity, total capitalization, and shares of Class A and Class B common stock outstanding at December 31, 2017 would be $ million, $ million, $ million, and , respectively.

DILUTION

Dilution is the amount by which the offering price paid by purchasers of our Class A common stock sold in this offering will exceed the pro forma as adjusted net tangible book value per share of our Class A common stock after the completion of this offering. The pro forma net tangible book value of our common stock at December 31, 2017 was $ million, or $ per share. Pro forma net tangible book value per share represents our total tangible assets less our total liabilities, divided by the number of outstanding shares of our Class A and Class B common stock, after giving effect to the Reclassification, pursuant to which all shares of our common stock will be reclassified into shares of our Class B common stock and the authorization of our Class A common stock.

After giving effect to (i) the sale of shares of our Class A common stock by us in this offering at an assumed initial public offering price of $ per share (the midpoint of the range set forth on the cover of this prospectus) and our receipt of an estimated $ million of net proceeds from this offering after deducting estimated underwriting discounts and commissions and offering expenses payable by us and (ii) the reclassification of shares of our Class B common stock to a like amount of our Class A common stock upon the sale of such shares by the selling stockholders in this offering, our pro forma as adjusted net tangible book value at December 31, 2017, would have been $ million, or $ per share. This represents an immediate increase in net tangible book value of $ per share of our common stock to our existing stockholders and an immediate dilution of $ per share to purchasers of our Class A common stock in this offering.

The following table illustrates the per share dilution:

Assumed initial public offering price per share of Class A common stock		$
Pro forma net tangible book value per common share at December 31, 2017	$	
Increase in pro forma net tangible book value per common share attributable to new investors in this offering	$	
Pro forma as adjusted net tangible book value per Class A common share after this offering		$
Dilution in net tangible book value per Class A common share to new investors in this offering		$

A $1.00 increase or decrease in the assumed initial public offering price per share of our Class A common stock would increase or decrease our pro forma as adjusted net tangible book value after the completion of this offering by approximately $, and increase or decrease the dilution to purchasers in this offering by approximately $, assuming the number of shares of our Class A common stock offered by us remains the same and after deducting estimated underwriting discounts and commissions and offering expenses payable by us.

If the underwriters exercise their option to purchase additional shares of our Class A common stock from the selling stockholders in full, the number of shares held by purchasers of our Class A common stock in this offering will be increased to , or approximately % of the total number of shares of our Class A common stock. The exercise of such option will not impact the pro forma as adjusted net tangible book value or the dilution to purchaser in this offering, because the selling stockholders will be providing such shares and we will not receive any proceeds from such sale.

The following table summarizes, at December 31, 2017, on the pro forma as adjusted basis described above, the difference between the total cash consideration paid and the average price per share paid by existing stockholders

and the purchasers of our Class A common stock in this offering with respect to the number of shares of our Class A common stock purchased from us, before deducting estimated underwriting discounts and commissions and offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders		%	$	%	$
Purchasers of Class A common stock in this offering		%		%	
Total		100.0%	$	100.0%	$

The total number of shares of our common stock reflected in the discussion and tables above is based on no shares of our Class A common stock and shares of our Class B common stock outstanding at December 31, 2017, and excludes:

- shares of common stock issuable upon the exercise of outstandingnon-plan stock options at December 31, 2017 (there were no options outstanding under the Construction Partners, Inc. 2016 Equity Incentive Plan as of December 31, 2017) with a weighted-average exercise price of $ per share, which after giving effect to the Reclassification, the shares issuable upon exercise of such stock options shall automatically become shares of our Class B common stock, with a weighted-average exercise price of $ per share;
- shares of our Class A common stock reserved for future issuance under the Construction Partners, Inc. 2018 Equity Incentive Plan, which will become effective prior to the completion of this offering, including any reversion of shares to the available pool of shares reserved for issuance under such plan upon the expiration, forfeiture or cash settlement of awards without the actual delivery of shares of our Class A common stock.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following tables present our selected historical consolidated financial data for the periods and at the dates indicated. The statement of income data and statement of cash flows data for the fiscal years ended September 30, 2016 and September 30, 2017 and the balance sheet data at September 30, 2016 and September 30, 2017 are derived from our audited consolidated financial statements and the notes thereto included elsewhere in this prospectus. The statement of income data and statement of cash flows data for the three months ended December 31, 2016 and December 31, 2017 and the balance sheet data at December 31, 2017 are derived from our unaudited consolidated financial statements included elsewhere in this prospectus. We have prepared our unaudited consolidated financial statements on the same basis as our audited consolidated financial statements and have included all adjustments, consisting only of normal recurring adjustments that, in our opinion, are necessary to present fairly the financial information set forth in those statements. The results for any interim period are not necessarily indicative of the results that may be expected for the full year and our historical unaudited results are not necessarily indicative of the results that should be expected in any future period.

The data presented below should be read in conjunction with, and are qualified in their entirety by reference to, "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the notes thereto included elsewhere in this prospectus.

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands except share and per share data)	(unaudited)	(unaudited)		
Statement of Income Data:				
Revenues	$ 122,120	$ 150,421	$ 542,347	$ 568,212
Cost of revenues	103,391	127,623	467,464	477,241
Gross profit	18,729	22,798	74,883	90,971
General and administrative expenses	(10,563)	(12,426)	(40,428)	(47,867)
Gain on sale of equipment, net	254	145	2,997	3,481
Operating income	8,420	10,517	37,452	46,585
Interest expense, net	(1,047)	(297)	(4,662)	(3,960)
Loss on extinguishment of debt	—	—	—	(1,638)
Other expense	(26)	(21)	(227)	(205)
Income before provision (benefit) for income taxes	7,347	10,199	32,563	40,782
Provision (benefit) for income taxes	2,786	(797)	10,541	14,742
Net income	$ 4,561	$ 10,996	$ 22,022	$ 26,040
Net income per share attributable to common stockholders:				
Basic and diluted	$ 2.77	$ 6.65	$ 12.90	$ 15.79
Weighted average number of common shares outstanding:				
Basic and diluted	1,646,924	1,654,426	1,706,711	1,648,821

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands except share and per share data)	(unaudited)	(unaudited)		
Other Financial Data:				
Adjusted EBITDA(1)	$ 13,698	$ 16,171	$ 58,972	$ 67,965
Revenues	122,120	150,421	542,347	568,212
Adjusted EBITDA Margin(1)	11.2%	10.8%	10.9%	12.0%
Statement of Cash Flows Data:				
Net cash provided by operating activities	$ 18,767	$ 19,490	$ 51,694	$ 46,927
Net cash used in investing activities	$ (7,278)	$ (9,318)	$ (19,005)	$ (30,686)
Net cash used in financing activities	$ (2,810)	$ (7,500)	$ (20,881)	$ (39,779)

	September 30,		December 31,
	2016	2017	2017
(in thousands)			
Balance Sheet Data:			
Cash	$ 51,085	$ 27,547	$ 30,219
Total assets	318,282	328,550	315,925
Current and non-current portions of debt, net of deferred debt issuance costs	60,962	57,136	49,655
Total equity	156,283	152,181	163,177

(1) Adjusted EBITDA represents net income before interest expense, net, provision (benefit) for income taxes, depreciation, depletion and amortization, equity-based compensation expense, and loss on extinguishment of debt. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of revenues for each period. These metrics are supplemental measures of our operating performance that are neither required by, nor presented in accordance with, GAAP. These measures should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP as an indicator of our operating performance. We present Adjusted EBITDA and Adjusted EBITDA Margin because management uses these measures as key performance indicators, and we believe they are measures frequently used by securities analysts, investors and other parties to evaluate companies in our industry. These measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP.

Our calculation of Adjusted EBITDA and Adjusted EBITDA Margin may not be comparable to similarly named measures reported by other companies. Potential differences between our measure of Adjusted EBITDA compared to other similar companies' measures of Adjusted EBITDA may include differences in capital structures, tax positions and the age and book depreciation of intangible and tangible assets.

The following table presents a reconciliation of net income, the most directly comparable measure calculated in accordance with GAAP, to Adjusted EBITDA, and the calculation of Adjusted EBITDA Margin for each of the periods presented.

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands)	(unaudited)	(unaudited)		
Net income	$ 4,561	$ 10,996	$ 22,022	$ 26,040
Interest expense, net	1,047	297	4,662	3,960
Provision (benefit) for income taxes	2,786	(797)	10,541	14,742
Depreciation, depletion and amortization of long-lived assets	5,222	5,675	21,530	21,072
Equity-based compensation expense	82	—	217	513
Loss on extinguishment of debt	—	—	—	1,638
Adjusted EBITDA	$ 13,698	$ 16,171	$ 58,972	$ 67,965
Revenues	$122,120	$150,421	$542,347	$568,212
Adjusted EBITDA Margin	11.2%	10.8%	10.9%	12.0%

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

This Management's Discussion and Analysis of Financial Condition and Results of Operations is intended to assist in understanding and assessing the trends and significant changes in our results of operations and financial condition. Historical results may not be indicative of future performance. This discussion includes forward-looking statements that reflect our plans, estimates and beliefs. Such statements involve risks and uncertainties. Our actual results may differ materially from those contemplated by these forward-looking statements as result of various factors, including those set forth in "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements." This discussion should be read in conjunction with "Prospectus Summary—Summary Consolidated Historical Financial Data," "Selected Historical Consolidated Financial Data" and our audited consolidated financial statements and the notes thereto included elsewhere in this prospectus. In this discussion, we use certain non-GAAP financial measures. Explanation of these non-GAAP financial measures and reconciliation to the most directly comparable GAAP financial measures are included in this Management's Discussion and Analysis of Financial Condition and Results of Operations as well as "Prospectus Summary—Summary Historical Consolidated Financial Data." Investors should not consider non-GAAP financial measures in isolation or as substitutes for financial information presented in compliance with GAAP.

Overview

We are one of the fastest growing civil infrastructure companies in the United States specializing in the building and maintenance of transportation networks. Our operations leverage a highly skilled workforce, strategically located HMA plants, substantial construction assets and select material deposits. We provide construction products and services to both public and private infrastructure projects, with an emphasis on highways, roads, bridges, airports and commercial and residential sites in the Southeastern United States.

Public infrastructure projects are funded by federal, state and local governments and include projects for roads, highways, bridges, airports and other infrastructure projects. Public transportation infrastructure projects historically have been a relatively stable portion of state and federal budgets, and represent a significant share of the U.S. construction market. Federal funds are allocated on a state-by-state basis and each state is required to match a portion of the federal funds they receive. Federal highway spending uses funds predominantly from the Highway Trust Fund, which derives its revenues from fuel taxes and other user fees.

In addition to public infrastructure projects, we provide a wide range of large sitework construction and HMA paving services to private construction customers, including commercial and residential developers and local businesses.

How We Assess Performance of Our Business

Revenues

We derive our revenues predominantly by providing construction products and services for both public and private infrastructure projects, with an emphasis on highways, roads, bridges, airports and commercial and residential sites. Our projects represent a mix of federal, state, municipal and private customers. We also derive revenues from the sale of HMA and aggregates to customers. Revenues derived from projects are recognized on the percentage-of-completion basis, measured by the relationship of total cost incurred to total estimated contract costs (cost-to-cost method). Changes in job performance, job conditions and estimated profitability, including those arising from contract penalty provisions and final contract settlements, may result in revisions to estimated

costs and income, and are recognized in the period in which the revisions are determined. Revenues derived from the sale of HMA and aggregates are recognized when risks associated with ownership have passed to the customer.

Gross Profit

Gross profit represents revenues less cost of revenues. Cost of revenues consists of all direct and indirect costs on construction contracts, including raw materials, labor, equipment costs, depreciation, lease expenses, subcontract costs and other expenses at our HMA plants and aggregate mining facilities. Our cost of revenues is directly affected by fluctuations in commodity prices, primarily liquid asphalt and diesel fuel. From time to time, when appropriate, we limit our exposure to changes in commodity prices by entering into forward purchase commitments. In addition, our public infrastructure contracts often include provisions that provide for price adjustments based on fluctuations in certain commodity-related products costs. These price adjustment provisions are in place for most of our public infrastructure contracts, and we seek to include similar provisions in our private contracts.

Depreciation, Depletion and Amortization

We carry property, plant and equipment on our balance sheet at cost, net of accumulated depreciation, depletion and amortization. Depreciation on property, plant and equipment is computed on a straight-line basis over the estimated useful life of the asset. Amortization expense is the periodic expense related to leasehold improvements and intangible assets. Leasehold improvements are amortized over the lesser of the life of the underlying asset or the remaining lease term. Our intangible assets were recognized as result of certain acquisitions and are generally amortized on a straight-line basis over the estimated useful lives of the assets. Quarry reserves are depleted in accordance with the units-of-production method as aggregate is extracted, using the initial allocation of cost based on proven and probable reserves.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and personnel costs for our administration, finance and accounting, legal, information systems, human resources and certain managerial employees. Additional expenses include audit, consulting and professional fees, travel, insurance, office space rental costs, property taxes and other corporate and overhead expenses.

Gain on Sale of Equipment, net

In the normal course of business, we sell construction equipment for various reasons, including when the cost of maintaining the asset exceeds the cost of replacing it. The gain or loss on sale of equipment reflects the difference between the carrying value at the date of disposal and the net consideration received from the sale of equipment during the period.

Interest Expense, net

Interest expense, net primarily represents interest incurred on our long-term debt, such as the Term Loan and the Revolving Credit Facility, as well as the cost of interest swap agreements and amortization of deferred debt issuance costs. These amounts are partially offset by interest income earned on short-term investments of cash balances in excess of our current operating needs.

Other Key Performance Indicators

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA represents net income before interest expense, net, provision (benefit) for income taxes, depreciation, depletion and amortization, equity-based compensation expense and loss on extinguishment of debt. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of revenues for each period. These metrics are supplemental measures of our operating performance that are neither required by, nor presented in accordance with, GAAP. These measures should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP as an indicator of our operating performance. We present Adjusted EBITDA and Adjusted EBITDA Margin as management uses these measures as key performance indicators, and we believe they are measures frequently used by securities analysts, investors and other parties to evaluate companies in our industry. These measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP.

Our calculation of Adjusted EBITDA and Adjusted EBITDA Margin may not be comparable to similarly named measures reported by other companies. Potential differences between our measure of Adjusted EBITDA compared to other similar companies' measures of Adjusted EBITDA may include differences in capital structures, tax positions and the age and book depreciation of intangible and tangible assets.

The following table presents a reconciliation of net income, the most directly comparable measure calculated in accordance with GAAP, to Adjusted EBITDA, and the calculation of Adjusted EBITDA Margin for each of the periods presented.

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands)	(unaudited)	(unaudited)		
Net income	$ 4,561	$ 10,996	$ 22,022	$ 26,040
Interest expense, net	1,047	297	4,662	3,960
Provision (benefit) for income taxes	2,786	(797)	10,541	14,742
Depreciation, depletion and amortization of long-lived assets	5,222	5,675	21,530	21,072
Equity-based compensation expense	82	—	217	513
Loss on extinguishment of debt	—	—	—	1,638
Adjusted EBITDA	$ 13,698	$ 16,171	$ 58,972	$ 67,965
Revenues	$122,120	$150,421	$542,347	$568,212
Adjusted EBITDA Margin	11.2%	10.8%	10.9%	12.0%

Results of Operations

Three Months Ended December 31, 2016 Compared to Three Months Ended December 31, 2017

The following table sets forth selected financial data for the three months ended December 31, 2016 and December 31, 2017:

	For the Three Months Ended December 31,				Change from Three Months Ended December 31, 2016 to Three Months Ended December 31, 2017	
	2016		2017			
	Dollars	% of Revenues	Dollars	% of Revenues	$ Change	% Change
(in thousands)						
Revenues	$122,120	100.0	$150,421	100.0	$28,301	23.2
Cost of revenues	103,391	84.7	127,623	84.8	24,232	23.4
Gross profit	18,729	15.3	22,798	15.2	4,069	21.7
General and administrative expenses	(10,563)	(8.6)	(12,426)	(8.3)	(1,863)	17.6
Gain on sale of equipment, net	254	0.2	145	0.1	(109)	(42.9)
Operating income	8,420	6.9	10,517	7.0	2,097	24.9
Interest expense, net	(1,047)	(0.9)	(297)	(0.2)	750	(71.6)
Other expense	(26)	0.0	(21)	0.0	5	(19.2)
Income before provision (benefit) for income taxes	7,347	6.0	10,199	6.8	2,852	38.8
Provision (benefit) for income taxes	2,786	2.3	(797)	(0.5)	(3,583)	(128.6)
Net income	$ 4,561	3.7	$ 10,996	7.3	$ 6,435	141.1
Adjusted EBITDA	$ 13,698	11.2	$ 16,171	10.8	$ 2,473	18.1

Revenues. Revenues for the three months ended December 31, 2017 increased $28.3 million, or 23.2%, to $150.4 million from $122.1 million for the three months ended December 31, 2016. The increase in revenues was primarily due to a $185.8 million higher backlog of work at the beginning of the quarter ended December 31, 2017 compared to the beginning of the quarter ended December 31, 2016, resulting in an approximate 7.1% increase in the average number of employees during the three months ended December 31, 2017 compared to the three months ended December 31, 2016 to perform the work of that additional backlog. We also realized an increase in revenue generated per employee, reflecting both increased production per employee and the pass-through of increased labor, material and equipment costs to our customers.

Gross Profit. Gross profit for the three months ended December 31, 2017 increased $4.1 million, or 21.7%, to $22.8 million from $18.7 million for the three months ended December 31, 2016. The increase in gross profit was a result of increased revenues, as discussed above. As a percentage of revenues, cost of revenues remained generally consistent at 84.8% for the three months ended December 31, 2017 and 84.7% for the three months ended December 31, 2016.

General and Administrative Expenses. General and administrative expenses include costs related to our operational offices that are not allocated to direct contract costs and expenses related to our corporate offices. General and administrative expenses for the three months ended December 31, 2017 increased $1.9 million to $12.4 million from $10.6 million for the three months ended December 31, 2016. As a percentage of revenues,

general and administrative expenses decreased to 8.3% for the three months ended December 31, 2017 from 8.6% for the three months ended December 31, 2016. The increase in general and administrative expenses for the three months ended December 31, 2017 was attributable to a $1.8 million increase in payroll and benefit costs associated primarily with additional management personnel to support additional organic growth and operating improvement initiatives, as well as a $0.1 million increase in other general expenses to support our growth. We expect general and administrative expenses to continue to increase in fiscal 2018 as a result of increased regulatory and public entity reporting requirements.

Interest Expense, Net. Interest expense, net for the three months ended December 31, 2017 decreased $0.8 million, or 71.6%, to $0.3 million compared to $1.1 million for the three months ended December 31, 2016. The decrease in interest expense, net was due to a decrease in the average principal outstanding to $53.8 million during the three months ended December 31, 2017 compared to $61.8 million during the three months ended December 31, 2016, a $0.2 million decrease in amortization of deferred debt issuance costs for those same periods, a reduction in our interest rate resulting from our debt refinancing on June 30, 2017, and a $0.2 million credit to interest expense during the three months ended December 31, 2017 as a result of the change in the fair value of the interest rate swap agreement discussed below. Our CIT Credit Facility (as defined below) in place during the three months ended December 31, 2016 was a variable rate facility based on the three-month LIBOR rate plus 3.5%. “CIT Credit Facility” refers to the credit agreement that we entered into on December 12, 2014 with a consortium of six financial institutions represented by CIT Finance LLC, which provided for a $76.0 million facility consisting of a $49.0 million term loan and capacity for additional borrowings of $27.0 million to finance future purchases of certain fixed assets. On June 30, 2017, we refinanced all of our outstanding debt under the CIT Credit Facility with proceeds from the Compass Credit Agreement. The Compass Credit Agreement is a variable rate facility based on the one-month LIBOR rate plus 2.0%, thereby reducing our interest costs during the three months ended December 31, 2017 compared to the three months ended December 31, 2016. The Compass Credit Agreement also replaced some higher fixed rate facilities. To hedge against future changes in variable interest rates of the Compass Credit Agreement, on June 30, 2017, we entered into an amortizing $25.0 million interest rate swap agreement tied to the Term Loan.

Provision (benefit) for Income Taxes. We recognized an income tax benefit of $0.8 million for the three months ended December 31, 2017 compared to an income tax expense of $2.8 million for the three months ended December 31, 2016. This change primarily reflects the impacts of comprehensive tax legislation enacted by the U.S. government on December 22, 2017, known as the Tax Cuts and Jobs Act (the “Tax Act”). The Tax Act includes broad and complex changes to the U.S. tax code, including a reduction in the U.S. federal corporate tax rate from 35% to 21% effective January 1, 2018. Accordingly, the effective tax rate for the three months ended December 31, 2017 reflects a federal income tax provision based on a blended U.S. statutory tax rate of 24.5% applicable to the full year ending September 30, 2018, which is calculated based on a proration of the applicable tax rates before and after the effective date of the Tax Act during the fiscal year. For the three months ended December 31, 2017, we recorded a $3.5 million credit to the income tax provision to recognize the cumulative effect on net deferred tax liabilities resulting from the enactment of the Tax Act. The effective tax rate for the three months ended December 31, 2016 reflects the federal statutory rate of 35.0%.

Net Income. Net income increased $6.4 million, or 141.1%, to $11.0 million for the three months ended December 31, 2017 compared to $4.6 million for the three months ended December 31, 2016. This increase in net income was a result of increased gross profit, a decrease in interest expense, and the favorable impacts on the provision (benefit) for income taxes resulting from the Tax Act, partially offset by the increase in general and administrative expenses, all as described above.

Adjusted EBITDA and Adjusted EBITDA Margin. Adjusted EBITDA and Adjusted EBITDA Margin were $16.2 million and 10.8%, respectively, for the three months ended December 31, 2017, as compared to

$13.7 million and 11.2%, respectively, for the three months ended December 31, 2016. The 18.1% increase in Adjusted EBITDA was the result of increased net income, partially offset by the decrease in interest expense and the favorable impacts on income tax expense resulting from the Tax Act, as discussed above. See the description of Adjusted EBITDA and Adjusted EBITDA Margin, as well as a reconciliation of Adjusted EBITDA to net income under "How We Assess Performance of Our Business".

Fiscal Year Ended September 30, 2016 Compared to Fiscal Year Ended September 30, 2017

The following table sets forth selected financial data for the fiscal years ended September 30, 2016 and September 30, 2017:

	For the Fiscal Years Ended September 30,				Change from Fiscal Year 2016 to Fiscal Year 2017	
	2016		2017			
	Dollars	% of Revenues	Dollars	% of Revenues	$ Change	% Change
(in thousands)						
Revenues	$542,347	100.0	$568,212	100.0	$25,865	4.8
Cost of revenues	467,464	86.2	477,241	84.0	9,777	2.1
Gross profit	74,883	13.8	90,971	16.0	16,088	21.5
General and administrative expenses	(40,428)	(7.5)	(47,867)	(8.4)	(7,439)	18.4
Gain on sale of equipment, net	2,997	0.6	3,481	0.6	484	16.1
Operating income	37,452	6.9	46,585	8.2	9,133	24.4
Interest expense, net	(4,662)	(0.9)	(3,960)	(0.7)	702	(15.1)
Loss on extinguishment of debt	—	—	(1,638)	(0.3)	(1,638)	—
Other expense	(227)	—	(205)	—	22	(9.7)
Income before provision for income taxes	32,563	6.0	40,782	7.2	8,219	25.2
Provision for income taxes	10,541	1.9	14,742	2.6	4,201	39.9
Net income	$ 22,022	4.1	$ 26,040	4.6	$ 4,018	18.2
Adjusted EBITDA	$ 58,972	10.9	$ 67,965	12.0	$ 8,993	15.2

Revenues. Revenues for the fiscal year ended September 30, 2017 increased $25.9 million, or 4.8%, to $568.2 million from $542.3 million for the fiscal year ended September 30, 2016. The increase in revenues was primarily due to our strong contract backlog and an increasing opportunity to bid both public and private projects in most of our markets. Our contract backlog increased $185.8 million during fiscal 2017. Adverse weather conditions, primarily during the third quarter of our fiscal year, prevented us from completing approximately $19.5 million of the work scheduled during the third quarter. However, these projects remain in our contract backlog and are expected to be completed during future periods.

Gross Profit. Gross profit for the fiscal year ended September 30, 2017 increased $16.1 million, or 21.5%, to $91.0 million from $74.9 million for the fiscal year ended September 30, 2016. The increase in gross profit was a result of increased revenues, as discussed above, coupled with an improvement in our gross profit margin, driven by improvements in our cost of revenues. As a percentage of revenues, cost of revenues decreased to 84.0% for the fiscal year ended September 30, 2017 from 86.2% for the fiscal year ended September 30, 2016. This improvement was a result of completing projects that were in process at September 30, 2016. We recorded a net increase in revenues and gross profit of $4.6 million during the fiscal year ended September 30, 2017 on contracts

in progress at September 30, 2016, as compared to recording a net decrease in revenues and gross profit of $2.8 million during the fiscal year ended September 30, 2016 on contracts in progress at September 30, 2015. In addition, other projects in our contract backlog were executed more efficiently during the fiscal year ended September 30, 2017 than comparable projects completed during the fiscal year ended September 30, 2016 due to more timely access to project cost metrics provided by improvements in our information technology, and to additions during the fiscal year ended September 30, 2017 to our operational management teams as part of our operating improvement initiatives.

General and Administrative Expenses. General and administrative expenses include costs related to our operational offices that are not allocated to direct contract costs and expenses related to our corporate offices. General and administrative expenses for the fiscal year ended September 30, 2017 increased $7.4 million, or 18.4%, to $47.9 million for the fiscal year ended September 30, 2017 from $40.4 million for the fiscal year ended September 30, 2016. The increase in general and administrative expenses for the fiscal year ended September 30, 2017 was attributable to a $5.2 million increase in payroll and benefit costs associated primarily with additional management personnel to support additional organic growth and operating improvement initiatives, a $1.0 million increase in travel and professional expenses and a $0.4 million increase in expenses to enhance our information technology platforms, as well as increases in other general expenses to support our growth. We expect general and administrative expenses to continue to increase in fiscal 2018 as a result of increased regulatory and public entity reporting requirements.

Interest Expense, Net. Interest expense, net for the fiscal year ended September 30, 2017 decreased $0.7 million, or 15.1%, to $4.0 million compared to $4.7 million for the fiscal year ended September 30, 2016. The decrease in interest expense, net was due to a decrease in the average principal outstanding of $60.4 million during the fiscal year ended September 30, 2017 compared to $72.3 million during the fiscal year ended September 30, 2016, and a lower amortization of deferred debt issuance costs of $0.7 million compared to $0.9 million during the same periods. This reduction in principal was partially offset by rising interest rates on our credit facilities with variable interest rates prior to the refinancing on June 30, 2017. Our CIT Credit Facility in place during the fiscal year ended September 30, 2016 and the first nine months of the fiscal year ended September 30, 2017 was a variable rate facility based on the three-month LIBOR rate plus 3.5%. During the first nine months of the fiscal year ended September 30, 2017, increases in the three-month LIBOR rate compared to rates during the fiscal year ended September 30, 2016 resulted in increased interest expense incurred on outstanding balances under the CIT Credit Facility. On June 30, 2017, we refinanced all of our outstanding debt under the CIT Credit Facility with proceeds from the Compass Credit Agreement. The Compass Credit Agreement is a variable rate facility based on the one-month LIBOR rate plus 2.0%, thereby reducing our interest costs during the last three months of the fiscal year ended September 30, 2017. The Compass Credit Agreement also replaced some higher fixed rate facilities. To hedge against future changes in variable interest rates of the Compass Credit Agreement, on June 30, 2017, we entered into an amortizing $25.0 million interest rate swap agreement tied to the Term Loan.

Loss on Extinguishment of Debt. Loss on extinguishment of debt for the fiscal year ended September 30, 2017 was $1.6 million compared to $0 for the fiscal year ended September 30, 2016, which was the result of the unamortized deferred debt issuance costs of $1.6 million related to the CIT Credit Facility and other debt refinanced at June 30, 2017 that was expensed as a loss on extinguishment of debt.

Provision for Income Taxes. Our effective tax rate increased to 36.1% for the fiscal year ended September 30, 2017 from 32.4% for the fiscal year ended September 30, 2016. Our lower effective tax rate for the fiscal year ended September 30, 2016 was primarily due to the $2.1 million reversal of a state tax valuation allowance during the fiscal year. In addition, our taxable income for the fiscal year ended September 30, 2017 was subject to the maximum U. S. statutory income tax rate of 35.0%, compared to 34.0% for the fiscal year ended September 30, 2016.

Net Income. Net income increased $4.0 million, or 18.2%, to $26.0 million for the fiscal year ended September 30, 2017 compared to $22.0 million for the fiscal year ended September 30, 2016. This increase in net income was a result of increased gross profit, partially offset by the increase in general and administrative expenses and the higher effective income tax rate, all as described above, and a $1.6 million loss on extinguishment of debt related to the June 30, 2017 debt refinancing.

Adjusted EBITDA and Adjusted EBITDA Margin. Adjusted EBITDA and Adjusted EBITDA Margin were $68.0 million and 12.0%, respectively, for the fiscal year ended September 30, 2017, as compared to $59.0 million and 10.9%, respectively, for the fiscal year ended September 30, 2016. The increase in Adjusted EBITDA and Adjusted EBITDA Margin was the result of increased gross profit, offset by the increase in general and administrative expenses discussed above. See the description of Adjusted EBITDA and Adjusted EBITDA Margin, as well as a reconciliation of Adjusted EBITDA to net income under "How We Assess Performance of Our Business".

Liquidity and Capital Resources

Cash Flows Analysis

The following table sets forth our cash flows for the periods indicated.

	For the Three Months Ended December 31,		For the Fiscal Years Ended September 30,	
	2016	2017	2016	2017
(in thousands)				
Net cash provided by operating activities	$18,767	$19,490	$ 51,694	$ 46,927
Net cash used in investing activities	(7,278)	(9,318)	(19,005)	(30,686)
Net cash used in financing activities	(2,810)	(7,500)	(20,881)	(39,779)
Net change in cash	$ 8,679	$ 2,672	$ 11,808	$(23,538)

Operating Activities

Cash provided by operating activities was $19.5 million for the three months ended December 31, 2017, an increase of $0.7 million compared to $18.8 million for the three months ended December 31, 2016. The most significant factors were an increase in net income of $6.4 million offset by a decreased change in contracts receivable including retainage of $5.5 million. This difference in the change in contracts receivable including retainage, as well as less significant changes in other operating assets and liabilities, were associated with fluctuations resulting from the $28.3 million of additional revenue and the timing of performing and closing projects. Our working capital results from both public and private sector projects. Customers in the private sector can be slower in paying and those contracts often contain retention provisions that allow the customer to withhold a percentage of the revenues earned until the completion of the project.

Cash provided by operating activities was $46.9 million for the fiscal year ended September 30, 2017, a decrease of $4.8 million compared to $51.7 million for the fiscal year ended September 30, 2016. The decrease was primarily due to a $10.0 million increase in the income taxes paid during the fiscal year ended September 30, 2017 compared to the fiscal year ended September 30, 2016, partially offset by a $4.0 million increase in net income. This decrease in cash provided by operating activities also included other changes in operating assets and liabilities. These other changes were associated with fluctuations resulting from the timing of performing and closing projects. Our working capital results from both public and private sector projects. Customers in the private

sector can be slower in paying and those contracts often contain retention provisions that allow the customer to withhold a percentage of the revenues earned until the completion of the project.

Investing Activities

Cash used in investing activities was $9.3 million for the three months ended December 31, 2017 compared to $7.3 million for the three months ended December 31, 2016. The increase was primarily due to an increase in purchases of property, plant and equipment during the three months ended December 31, 2017 to support the continuing growth of the Company.

Cash used in investing activities was $30.7 million for the fiscal year ended September 30, 2017 compared to $19.0 million for the fiscal year ended September 30, 2016. The increase was primarily due to $10.8 million being used in the acquisition of a business during the fiscal year ended September 30, 2017.

Financing Activities

Cash used in financing activities was $7.5 million for the three months ended December 31, 2017 compared to $2.8 million for the three months ended December 31, 2016. The increase was primarily due to repayment of our Revolving Credit Facility of $5.0 million during the three months ended December 31, 2017. There was no activity under our Revolving Credit Facility during the three months ended December 31, 2016.

Cash used in financing activities was $39.8 million for the fiscal year ended September 30, 2017 compared to $20.9 million for the fiscal year ended September 30, 2016. The increase was primarily due to the payment of a $31.3 million dividend during the fiscal year ended September 30, 2017. The increase was partially offset by a net repayment under our credit facilities of $6.1 million during the fiscal year ended September 30, 2017 compared to net repayments of $18.1 million during the fiscal year ended September 30, 2016.

Compass Credit Agreement

On June 30, 2017, Construction Partners Holdings, our wholly owned subsidiary, entered into the Compass Credit Agreement with Compass Bank, as agent (the “Agent”), sole lead arranger and sole bookrunner. The Compass Credit Agreement provides for a $50.0 million Term Loan and a $30.0 million Revolving Credit Facility. The principal amount of the Term Loan must be paid in quarterly installments of $2.5 million. All amounts borrowed under the Compass Credit Agreement mature on July 1, 2022.

Construction Partners Holdings’ obligations under the Compass Credit Agreement are guaranteed by the Company and all of Construction Partners Holdings’ direct and indirect subsidiaries and are secured by first priority security interests in substantially all of the Company’s assets.

Under the Compass Credit Agreement, borrowings can be designated as base rate loans or Euro-Dollar Loans. The interest rate on base rate loans fluctuates and is equal to (i) the highest of: (a) the rate of interest in effect for such day as publicly announced from time to time by the Agent as its “prime rate,” (b) the federal funds rate plus 0.50% and (c) the quotient of the London interbank offered rate for deposits in U.S. dollars as obtained from Reuter’s, Bloomberg or another commercially available source designated by the Agent two Euro-Dollar Business Days (as defined in the Compass Credit Agreement) before the first day of the applicable interest period (“LIBOR”) divided by 1.00 minus the Euro-Dollar Reserve Percentage (as defined in the Compass Credit Agreement) plus 1.0% for a one-month interest period, plus (ii) the applicable rate, which ranges from 2.0% to 2.25%. The interest rate for Euro-Dollar loans fluctuates and is equal to the sum of the applicable rate, which ranges from 2.0% to 2.25%, plus LIBOR for the interest period selected by the Agent.

At December 31, 2017 and September 30, 2017, the interest rate on outstanding borrowings under the Term Loan and Revolving Credit Facility was 3.569% and 3.235%, respectively. At December 31, 2017 and September 30, 2017, we had availability of $25.0 million and $20.0 million, respectively, under the Revolving Credit Facility. In order to hedge against changes in interest rates, on June 30, 2017, we entered into an amortizing $25.0 million interest rate swap agreement applicable to outstanding debt under the Term Loan, under which we pay a fixed percentage rate of 2.015% and receive a credit based on the applicable LIBOR rate. At December 31, 2017 and September 30, 2017, the notional value of this interest rate swap agreement was $22.5 million and $23.75 million, respectively, and the fair value was $(0.001) million and $(0.2) million, respectively, which is included within other liabilities on our Consolidated Balance Sheets.

We must pay a commitment fee of 0.35% per annum on the aggregate unused revolving commitments under the Compass Credit Agreement. We also must pay fees with respect to any letters of credit issued under the Compass Credit Agreement.

The Compass Credit Agreement contains usual and customary negative covenants for agreements of this type, including, but not limited to, restrictions on our ability to make acquisitions, make loans or advances, make capital expenditures and investments, create or incur indebtedness, create liens, wind up or dissolve, consolidate, merge or liquidate, or sell, transfer or dispose of assets. The Compass Credit Agreement requires us to satisfy certain financial covenants, including a minimum fixed charge coverage ratio of 1.20 to 1.00. At December 31, 2017 and September 30, 2017, our fixed charge ratio was 1.72 to 1.00 and 1.63 to 1.00, respectively. The Compass Credit Agreement also requires us to maintain a consolidated leverage ratio not to exceed 2.00 to 1.00, subject to certain adjustments as further described in the Compass Credit Agreement. At December 31, 2017 and September 30, 2017, our consolidated leverage ratio was 0.86 to 1.00 and 0.95 to 1.00, respectively. The Compass Credit Agreement includes customary events of default, including, among other things, payment default, covenant default, breach of representation or warranty, bankruptcy, cross-default, material ERISA events, certain changes of control, material money judgments and failure to maintain subsidiary guarantees. The Compass Credit Agreement prevents us from paying dividends or otherwise distributing cash to our stockholders unless, after giving effect to such dividend, we would be in compliance with the financial covenants and, at the time any such dividend is made, no default or event of default exists or would result from the payment of such dividend.

At December 31, 2017 and September 30, 2017, we were in compliance with all covenants under the Compass Credit Agreement.

Capital Requirements and Sources of Liquidity

During the three months ended December 31, 2016 and December 31, 2017, our capital expenditures were approximately $7.6 million and $9.5 million, respectively. During the fiscal years ended September 30, 2016 and September 30, 2017, our capital expenditures were approximately $24.9 million and $24.4 million, respectively.

Historically, we have had significant cash requirements in order to organically expand our business into new geographic markets. Our cash requirements include costs related to increased capital expenditures, purchase of materials and production of materials and cash to fund our organic expansion into new markets. Our working capital needs are driven by the seasonality and growth of our business, with our cash requirements greater in periods of growth. Additional cash requirements resulting from our growth include the costs of additional personnel, production and distribution facilities, enhancing our information systems and, in the future, our integration of any acquisitions and our compliance with laws and rules applicable to being a public company. Following the completion of this offering, our primary uses of cash will be investing in property and equipment used to provide our services and funding organic and acquisitive growth initiatives.

We have historically relied upon cash available through credit facilities, in addition to cash from operations, to finance our working capital requirements and to support our growth. At each of December 31, 2017 and

September 30, 2017, we had availability of $25.0 million and $20.0 million, respectively, under the Revolving Credit Facility. We regularly monitor potential capital sources, including equity and debt financings, in an effort to meet our planned capital expenditures and liquidity requirements. Our future success will be highly dependent on our ability to access outside sources of capital.

We believe that our operating cash flow and available borrowings under the Revolving Credit Facility are sufficient to fund our operations for at least the next twelve months. However, future cash flows are subject to a number of variables, and significant additional capital expenditures will be required to conduct our operations. There can be no assurance that operations and other capital resources will provide cash in sufficient amounts to maintain planned or future levels of capital expenditures. In the event we make one or more acquisitions and the amount of capital required is greater than the amount we have available for acquisitions at that time, we could be required to reduce the expected level of capital expenditures and/or seek additional capital. If we seek additional capital, we may do so through borrowings under the Revolving Credit Facility, joint ventures, asset sales, offerings of debt or equity securities or other means. We cannot guarantee that this additional capital will be available on acceptable terms or at all. If we are unable to obtain the funds we need, we may not be able to complete acquisitions that may be favorable to us or finance the capital expenditures necessary to conduct our operations.

Contractual Obligations

The following table presents our obligations and commitments to make future payments under contracts and contingent commitments at September 30, 2017:

		Payments Due by Period			
	Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
(in thousands)					
Long-term debt obligations:					
Principal payment obligations	$57,500	$10,000	$20,000	$27,500	$—
Interest expense on long-term debt(1)	5,925	1,936	2,772	1,217	—
Operating lease obligations(2)	22,237	8,876	10,997	2,364	—
Purchase obligations(3)	5,136	3,403	1,733	—	—
Other(4)	3,138	2,569	569	—	—
Total	$93,936	$26,784	$36,071	$31,081	$—

(1) Assumes that the interest rate of 3.235% in effect on the long-term debt obligations at September 30, 2017 will remain constant until maturity, and includes an effective interest rate of 0.78% applicable to the $25.0 million interest rate swap agreement.

(2) Operating leases related to property and equipment, with terms ranging from one to five years.

(3) Includes agreements for future purchase of fuel, natural gas, liquid asphalt cement and aggregates.

(4) Reflects installment payments in connection with an agreement to repurchase shares of our common stock. See Note 11 to our audited consolidated financial statements included elsewhere in this prospectus.

Critical Accounting Policies and Estimates

The discussion of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements

requires us to make estimates and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. We evaluate our estimates and assumptions on an ongoing basis. The results of our analysis form the basis for making assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, and the impact of such differences may be material to our consolidated financial statements.

Critical accounting policies are those policies that, in management's view, are most important in the portrayal of our financial condition and results of operations. The notes to the consolidated financial statements also include disclosure of significant accounting policies. The methods, estimates and judgments that we use in applying our accounting policies have a significant impact on the results that we report in our financial statements. These critical accounting policies require us to make difficult and subjective judgments, often as a result of the need to make estimates regarding matters that are inherently uncertain. Our most critical accounting policies and estimates include those involved in the recognition of revenues and provision for income tax expense. Those critical accounting policies and estimates that require the most significant judgment are discussed further below.

Revenue Recognition

The majority of our construction contracts are fixed unit price contracts. From time to time, we also enter into cost plus contracts and fixed total price contracts. Under fixed unit price contracts, we are committed to providing materials or services required by a contract at fixed unit prices (for example, dollars per ton of asphalt placed). Revenues from these construction contracts are recognized using the percentage-of-completion accounting method. Under this method, revenues are recognized as costs are incurred in an amount equal to cost plus the related expected profit based on the ratio of costs incurred to estimated final costs. This cost-to-cost measure is used because management considers it to be the best available measure of progress on these contracts. Contract costs consist of direct costs on contracts, including labor, materials, amounts payable to subcontractors and those indirect costs related to contract performance, such as equipment costs, insurance and employee benefits. Contract cost is recorded as incurred, and revisions in contract revenues and cost estimates are reflected in the accounting period when known. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Changes in job performance, job conditions and estimated profitability, including those changes arising from contract change orders, penalty provisions and final contract settlements may result in revisions to costs and income and are recognized in the period in which the revisions are determined.

Change orders are modifications of an original contract that effectively change the existing provisions of the contract without adding new provisions or terms. Change orders may include changes in specifications or designs, manner of performance, facilities, equipment, materials, sites and period of completion of the work. Either we or our customers may initiate change orders. We consider unapproved change orders to be contract variations for which we have a change of scope for which we believe we are contractually entitled to additional price, but where a price change associated with the scope change has not yet been agreed upon with the customer. Costs associated with unapproved change orders are included in the estimated cost to complete the contracts and are treated as project costs as incurred. We recognize revenues equal to costs incurred on unapproved change orders when realization of price approval is probable. Unapproved change orders involve the use of estimates, and it is reasonably possible that revisions to the estimated costs and recoverable amounts may be required in future reporting periods to reflect changes in estimates or final agreements with customers. Change orders that are unapproved as to both price and scope are evaluated as claims.

We consider claims to be amounts in excess of agreed contract prices that we seek to collect from our customers or others for customer-caused delays, errors in specifications and designs, contract terminations, change orders that are either in dispute or are unapproved as to both scope and price, or other causes of unanticipated additional contract costs. Claims are included in the calculation of revenues when realization is probable and amounts can be reliably determined. To support these requirements, the existence of the following items must be satisfied: (i) the contract or other evidence provides a legal basis for the claim or a legal opinion has been obtained, stating that under the circumstances there is a reasonable basis to support the claim; (ii) additional costs are caused by circumstances that were unforeseen at the contract date and are not the result of deficiencies in our performance; (iii) costs associated with the claim are identifiable or otherwise determinable and are reasonable in view of the work performed; and (iv) the evidence supporting the claim is objective and verifiable, not based on management's subjective evaluation of the situation or on unsupported representations. Revenues in excess of contract costs incurred on claims are recognized when an agreement is reached with the customer as to the value of the claim, which in some instances may not occur until after completion of work under the contract. Costs associated with claims are included in the estimated costs to complete the contracts and are treated as project costs when incurred.

Our contracts generally take four to nine months to complete. For the majority of our contracts, upon completion and final acceptance of the construction contract, we receive our final payment upon completion of the necessary contract closing documents and our obligations to the owner are final at that point. The accuracy of our revenues and profit recognition in a given period is dependent on the accuracy of our estimates of the revenues and costs to finish uncompleted contracts. Our estimates for all of our significant contracts use a highly detailed "bottom up" approach. However, our projects can be highly complex and, in almost every case, the profit margin estimates for a contract will either increase or decrease to some extent from the amount that was originally estimated at the time of bid. Because we have a large number of projects of varying levels of size and complexity in process at any given time, these changes in estimates can sometimes offset each other without materially impacting our overall profitability. However, large changes in revenues or cost estimates can have a significant effect on profitability. There are a number of factors that can contribute to changes in estimates of contract cost and profitability. The most significant of these include the completeness and accuracy of the original bid, recognition of costs associated with scope changes, extended overhead due to customer-related and weather-related delays, subcontractor and supplier performance issues and site conditions that differ from those assumed in the original bid to the extent contract remedies are unavailable. The foregoing factors, as well as the stage of completion of contracts in process and the mix of contracts at different margins, may cause fluctuations in gross profit between periods, and these fluctuations may be significant.

Contracts Receivable, Including Retainage

Contracts receivable are generally based on amounts billed to the customer and currently due in accordance with our contracts. Many of the contracts under which we perform work contain retainage provisions. Retainage refers to that portion of billings made by us, but held for payment by the customer pending satisfactory completion of the project. Retainage on active contracts is classified as a current asset regardless of the term of the contract and is generally collected within one year of the completion of a contract. At each of September 30, 2016, September 30, 2017 and December 31, 2017, contracts receivable included $13.2 million, $13.2 million and $13.7 million, respectively, of retainage, which was being contractually withheld by customers until completion of the associated contracts.

As the majority of our construction contracts are entered into with federal, state or municipal government customers, credit risk is minimal. We confirm that funds have been appropriated by the government project owner prior to commencing work on such projects. While most public contracts are subject to termination at the election

of the government entity, in the event of termination we are entitled to receive the contract price for completed work and reimbursement of termination-related costs. Credit risk with private owners is minimized because of statutory mechanics liens, which give us high priority in the event of lien foreclosures following financial difficulties of private owners. We maintain an allowance for doubtful accounts, which has historically been sufficient to cover accounts that are not collected.

Valuation of Long-Lived Assets and Goodwill

Long-lived assets, which include property, equipment and acquired intangible assets, such as goodwill, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment evaluations involve fair values and management estimates of useful asset lives and future cash flows. Actual useful lives and cash flows could be different from those estimated by management, and this could have a material effect on our operating results and financial position. For the fiscal years ended September 30, 2016 and 2017 and the three months ended December 31, 2017, there were no events or changes in circumstances that would indicate a material impairment of our long-lived assets.

Goodwill must be tested for impairment at least annually. We performed our most recent annual impairment test of goodwill on July 1, 2017. Our test indicated there was no impairment of goodwill. The valuation is impacted by a number of factors, but the key factors are the stock price of similar publicly traded companies, recently completed transactions from both public companies and private transactions and our estimated forecast of future cash flows.

The valuation approaches contain uncertainty regarding the estimates used. One of the largest uncertainties relates to federal, state and local government spending which management expects to increase in the upcoming years. There are a number of other uncertainties with respect to our future financial performance that could impact estimated future cash flows, including those discussed in “Risk Factors” elsewhere in this prospectus. Based on our valuation approaches, we determined that for each of our reporting units with goodwill, its fair value substantially exceeded its carrying value, and thus concluded that the carrying value of goodwill was not impaired at July 1, 2016 or July 1, 2017. At September 30, 2016, September 30, 2017 and December 31, 2017, we had goodwill with a carrying amount of $30.0 million, $30.6 million and $30.6 million, respectively.

Income Taxes

Deferred tax assets and liabilities are recognized based on the differences between the financial statement carrying amounts and the tax basis of assets and liabilities. We regularly review our deferred tax assets for recoverability and, where necessary, establish a valuation allowance. Valuation allowances are established to reduce deferred tax assets if we determine that it is more likely than not that some or all of the deferred tax assets will not be realized in future periods.

To assess this likelihood, we use historical three-year accumulated losses, estimates and judgments regarding our future taxable income as well as the jurisdiction in which this taxable income is generated to determine whether a valuation allowance is required. Such evidence can include our current financial position, results of operations, actual and forecasted results, the reversal of deferred tax liabilities, tax planning strategies and the current and forecasted business economics of our industry. Additionally, we record uncertain tax positions at their net recognizable amount, based on the amount that management deems is more likely than not to be sustained upon ultimate settlement with the tax authorities in jurisdictions in which we operate.

On the basis of our evaluations, at September 30, 2016, September 30, 2017 and December 31, 2017, no valuation allowance was recorded on our net deferred tax assets, and we had no material uncertain tax positions. If our estimates or assumptions regarding our current and deferred tax items are inaccurate or are modified, these changes could have potentially material impacts on our earnings.

Accrued Insurance Cost

We carry insurance policies to cover various risks, primarily general liability, automobile liability and workers compensation, under which we are liable to reimburse the insurance company for a portion of each claim paid, up to $500,000 per occurrence. Prior to October 1, 2017, this amount was $250,000 per occurrence. We accrue for probable losses, both reported and unreported, that are reasonably estimable using actuarial methods based on historic trends modified, if necessary, by recent events. Changes in our loss assumptions caused by changes in actual experience would affect our assessment of the ultimate liability and could have an effect on our operating results and financial position up to $500,000 per occurrence for general liability, automobile liability and workers compensation claims.

We provide employee medical insurance under policies that are both fixed premium fully insured policies and self-insured policies that are administered by the insurance company. Under the self-insured policies, we are liable to reimburse the insurance company for actual claims paid plus an administrative fee. We purchase separate stop-loss insurance, which limits the individual participant claim loss to amounts ranging from $75,000 to $160,000.

Share Based Payments and Other Equity Transactions

Our equity incentive plans are administered by our Compensation Committee, which has historically set stock option exercise prices based on recent unregistered sales of our common stock.

We recognize compensation expense for stock option awards based on valuation studies. Prior to the completion of this offering, there has not been an established market for shares of our common stock. While we have issued new equity to unrelated parties, and we use such facts in the determination of the fair value of our shares, we believe that the lack of a secondary market for our common stock and our limited history issuing stock to unrelated parties make it impracticable to estimate our common stock's expected volatility. Therefore, it is not possible to reasonably estimate the grant-date fair value of our options using our own historical price data. Accordingly, we applied the provisions of FASB ASC Topic 718 in accounting for the share options under the calculated value method.

In fiscal years 2016 and 2017, the expected volatility was based on the average volatility of five companies within three different SIC industries as management believed that we fit the profile of the companies selected.

Forfeitures are estimated using historical experience and projected employee turnover. These estimates require a considerable degree of judgment and affect the amount of stock-based compensation expense we recognize. If we determine that another method to estimate expected volatility or expected term is more reasonable than our current methods, or if another method for calculating fair value is prescribed by authoritative guidance, the fair value calculated for future stock-based awards could change significantly from past awards, even if the principal terms of the awards are similar. Higher volatility and longer expected terms result in an increase to stock-based compensation determined at the date of grant. The expected dividend rate and expected risk-free interest rate are not as significant to our calculation of fair value. A hypothetical 10% increase or decrease to any of the above assumptions would have had an immaterial impact on the amount of stock-based compensation expense we recognized in each of the periods presented. However, although changes in assumptions relative to expenses related to 2010 stock options granted outside of our equity incentive plan would be considered immaterial to us, future years could result in a more significant difference if we were to grant additional stock options, the value of our common stock increases significantly or our estimated volatility is higher.

Emerging Growth Company

The JOBS Act permits an "emerging growth company" like us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We are choosing to "opt out" of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted. Our decision to opt out of the extended transition period is irrevocable.

Internal Controls and Procedures

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for our Company. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our financial statements; providing reasonable assurance that receipts and expenditures of our assets are made in accordance with management's authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected. Furthermore, our controls and procedures can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the control, and misstatements due to error or fraud may occur and not be detected on a timely basis. In the course of preparing the financial statements that are included in this prospectus, our management has determined that we have material weaknesses in our internal control over financial reporting, which relate to the design and operation of our information technology general controls and overall closing and financial reporting processes, including our accounting for significant and unusual transactions. We have concluded that these material weaknesses in our internal control over financial reporting are due to the fact that, prior to this offering, we were a private company with limited resources and did not have the necessary business processes and related internal controls formally designed and implemented coupled with the appropriate resources with the appropriate level of experience and technical expertise to oversee our business processes and controls surrounding information technology general controls, our closing and financial reporting processes and to address the accounting and financial reporting requirements related to significant and unusual transactions.

In order to remediate these material weaknesses, we are taking the following actions: (i) we are actively seeking additional accounting and finance staff members and a senior accounting officer with public company reporting experience, to augment our current staff and to improve the effectiveness of our closing and financial reporting processes; and (ii) we have engaged a third party to assist us with formalizing our business processes, accounting policies and internal controls documentation and related internal controls and strengthening supervisory reviews by our management.

Notwithstanding the material weaknesses that existed at September 30, 2017, our management has concluded that the consolidated financial statements included elsewhere in this prospectus present fairly, in all material respects, our financial position, results of operation and cash flows in conformity with GAAP.

If we fail to fully remediate these material weaknesses or fail to maintain effective internal controls in the future, it could result in a material misstatement of our financial statements that would not be prevented or detected on a timely basis, which could cause investors to lose confidence in our financial information or cause our stock price to decline. Our independent registered public accounting firm has not assessed the effectiveness of our internal control over financial

reporting and, under the JOBS Act, will not be required to provide an attestation report on the effectiveness of our internal control over financial reporting so long as we qualify as an emerging growth company, which may increase the risk that weaknesses or deficiencies in our internal control over financial reporting go undetected.

Inflation

Inflation had an immaterial impact on our results of operations for the fiscal years ended September 30, 2016 and 2017 and the three months ended December 31, 2017 due to relatively low inflation in the United States in recent years and our ability to recover increasing costs by obtaining higher prices for our products, including sale price escalator clauses in most of our public infrastructure sector contracts. Inflation risk varies with the level of activity in our industry, the number, size and strength of competitors and the availability of products to supply a local market.

Quantitative and Qualitative Disclosure about Market Risks

We are subject to commodity price risk with respect to price changes in liquid asphalt and energy, including fossil fuels and electricity for aggregates and asphalt paving mix production, natural gas for HMA production and diesel fuel for distribution vehicles and production-related mobile equipment. In order to manage or reduce commodity price risk, we monitor the costs of these commodities at the time of bid and price them into our contracts accordingly. Furthermore, liquid asphalt escalator provisions in most of our public and in some of our private and commercial contracts limit our exposure to price fluctuations in this commodity. In addition, we enter into various firm purchase commitments, with terms generally less than one year, for certain raw materials.

Interest Rate Risk

We are exposed to interest rate risk on certain of our short- and long-term debt obligations used to finance our operations and acquisitions. We have LIBOR-based floating rate borrowings under the Compass Credit Agreement, which expose us to variability in interest payments due to changes in the reference interest rates. From time to time, we use derivative instruments as hedges against the impact of interest rate changes on future earnings and cash flows. In order to hedge against changes in interest rates and to manage fluctuations in cash flows resulting from interest rate risk, on June 30, 2017, we entered into an amortizing interest rate swap agreement applicable to $25.0 million outstanding debt under the Term Loan, for which we pay a fixed rate of 2.015% and receive a credit based on the applicable LIBOR rate.

At December 31, 2017 and September 30, 2017, we had a total of $50.0 million and $57.5 million of variable rate borrowings outstanding, respectively. Holding other factors constant and absent the interest rate swap agreement described above, a hypothetical 1% change in our borrowing rates would result in a $0.5 million and $0.6 million change in our annual interest expense based on our variable rate debt at December 31, 2017 and September 30, 2017, respectively.

Seasonality

The use and consumption of our products and services fluctuate due to seasonality. Our products are used, and our construction operations and production facilities are located, outdoors. Therefore, seasonal changes and other weather-related conditions, in particular extended rainy and cold weather in the spring and fall and major weather events, such as hurricanes, tornadoes, tropical storms and heavy snows, can adversely affect our business and operations through a decline in both the use of our products and demand for our services. In addition, construction materials production and shipment levels follow activity in the construction industry, which typically occurs in the spring, summer and fall. Warmer and drier weather during the third and fourth quarters of our fiscal year typically result in higher activity and revenues during those quarters. The first and second quarters of our fiscal year typically have lower levels of activity due to adverse weather conditions.

BUSINESS

Our Company

We are one of the fastest growing civil infrastructure companies in the United States specializing in the building and maintenance of transportation networks. Our operations leverage a highly skilled workforce, strategically located HMA plants, substantial construction assets and select material deposits. We provide construction products and services to both public and private infrastructure projects, with an emphasis on highways, roads, bridges, airports, and commercial and residential sites in the Southeastern United States. Led by industry veterans each with over 30 years of experience operating, acquiring and improving construction companies, we are well-positioned to continue to expand profitably in an industry with attractive growth prospects.

Since our inception in 2001, we have scaled into one of the largest operators in the Southeastern United States, growing from three to 27 HMA plants at March 31, 2018. We operate in a geographic area covering nearly 29,000 miles of highway infrastructure, and we produced 3.2 million tons of HMA in fiscal 2017 for use in more than 900 transportation or infrastructure projects. We maintain a high level of visibility on future infrastructure projects by analyzing the budgets and bidding patterns of state and local DOTs in the markets that we serve. We are therefore able to reliably forecast our bidding opportunities and properly plan for future projects. Our contract backlog at December 31, 2017 was at a record level of $550.9 million, as compared to $369.8 million at December 31, 2016 and $549.9 million at September 30, 2017.

The Southeastern United States is one of the fastest growing regions with respect to population and job growth, which drives additional federal funding to the area. The five states in which we operate (Alabama, Florida, Georgia, North Carolina and South Carolina) have experienced a combined annual population growth of 1.4% from 2000 to 2016, as compared to 0.8% for the rest of the United States, and combined annual economic growth of 2.7% from 2013 to 2016, as compared to 2.1% for the rest of the United States. Additionally, each of these states has recently passed legislation to increase transportation funding.

We have strategically entered each of the markets that we serve to capitalize on substantial public and private infrastructure opportunities in the Southeastern United States. Publicly funded projects accounted for approximately 70% of our fiscal 2017 construction contract revenues. Our public customers include federal agencies, state DOTs and local municipalities. Total spending on transportation infrastructure in the United States was approximately $279.0 billion in 2014, of which highways and local roads accounted for approximately $165.0 billion, or 59%. We believe transportation infrastructure spending will increase as federal, state and local governments allocate funding to their aging transportation network infrastructures. At the federal level, the FAST Act earmarked $305.0 billion for transportation infrastructure spending through 2020. The FAST Act builds upon the MAP-21 Act, which was passed in 2012 and provided $105.0 billion of similar funding. Moreover, in February 2018, the current administration announced an infrastructure plan to provide $200.0 billion in federal funds over the next ten years with the intent to spur at least $1.5 trillion in infrastructure investments with partners at the state, local and private levels.

Privately funded projects accounted for approximately 30% of our fiscal 2017 construction contract revenues. We provide a wide range of large sitework construction and HMA paving services to private construction customers, including commercial and residential developers and local businesses. We compete for private construction projects primarily on the basis of the breadth of our service capabilities and our reputation for quality. Private projects also drive demand for external sales of our HMA and aggregates to smaller contractors that do not own their own HMA or aggregate facilities. We believe we are well-positioned to capitalize on the strong momentum in commercial and residential private construction sectors driven by population and economic expansion in the Southeastern United States.

Supported by our local market presence and knowledge, as well as scale advantages attributable to our vertical integration, geographic reach and strong financial profile, we believe we are a market leader in each of the markets that we serve. For all but the very largest projects, we compete primarily against local firms that have existing asphalt plants and paving operations relatively close to the project site. For most projects, HMA is a critical input that cannot be efficiently transported beyond a relatively short distance. By virtue of this locally driven competitive dynamic, competition in our industry is characterized by relative market share, which we define as the percentage of jobs we win in a local market compared to the jobs we bid in a local market.

Our Competitive Strengths

Leading Market Positions in Strategic Geographic Footprint. Our local market presence and knowledge contributes to our leading position in each of the markets we serve. Our 27 HMA plants are strategically located across Alabama, Florida, Georgia and North Carolina and are near interstate highways with dense road systems. In addition to the four states in which our HMA plants are located, we provide specialty paving services in South Carolina. We believe the Southeastern United States will continue to experience above-average population and economic growth and these factors will lead to additional demand for the transportation infrastructure services we provide. Moreover, this region's temperate climate allows us to work for the majority of the year, thereby enabling us to mitigate the fixed cost of weather-idled facilities and maintain a year-round workforce.

Scale Advantages. We believe our HMA plants, equipment fleet, experienced personnel and bonding capacity provide us with scale advantages over our competitors, which are primarily small- and medium-sized businesses and are often family owned and operated. In addition, our ability to internally source HMA provides project execution and bidding advantages over some of our competitors. Our flexible crews and diverse fleet of equipment are deployed across a wide geographic footprint to perform projects of varying size and scope, which helps us maintain high asset utilization and lower fixed unit costs. Our scale also allows us to fully utilize reclaimed asphalt pavement, which lowers our HMA production costs, and allows us to receive better terms in capital asset purchases with our equipment providers. Most of the projects for which we compete require surety performance bonds as a bidding condition. Many of our competitors are limited in the projects for which they can bid because of such bidding and bonding constraints. Our track record of successful project execution and profitability, coupled with a strong balance sheet, provide us with ample bidding and bonding capacity, allowing us to bid on a large number of projects simultaneously. As such, we have never been prevented from bidding a project due to bidding and bonding requirements. The scale advantages from our leading relative market position support our growth strategy.

Customer and Revenue Diversification. We perform both new construction and maintenance infrastructure services over a wide geographic footprint for both public and private clients. Our largest customers are state DOTs. For the fiscal year ended September 30, 2017, the Alabama DOT and the North Carolina DOT accounted for 14.9% and 13.9% of our revenues, respectively, and projects performed for various Departments of Transportation accounted for 41.9% of revenues. Our 25 largest projects accounted for 22.4%, of our fiscal 2017 revenues. While we have the capabilities required for large infrastructure projects, a core principle of our strategy is to perform many smaller projects with varied complexity and short durations. In fiscal 2017, our average project size was $1.7 million and our projects had an average duration of approximately eight months. We believe this strategy, coupled with our disciplined bidding process, yields revenue diversification and enables us to better manage our business through market cycles.

Consistent History of Managing Construction Projects and Contract Risk. Our long and successful track record in each of the markets that we serve provides us with an understanding of the various risks associated with transportation infrastructure projects. We serve as prime contractor on approximately 70% of our projects and as a subcontractor on the remaining 30%. When serving as prime contractor, we utilize subcontractors to perform

approximately 30% of the total project. The vast majority of our projects are fixed unit price contracts, pursuant to which a portion of our revenues is tied to the volume of various project components. We combine our experience, local market knowledge and fully integrated management information systems to effectively bid, execute on and manage projects. We capture project costs such as labor and equipment expenses on a daily basis. Our managers review daily project reports to determine whether actual project costs are tracking to budget.

Successful Record of Executing and Integrating Acquisitions. One of our core competencies is successfully identifying, executing and integrating acquisitions. Since 2001, we have completed 15 acquisitions, which have enabled us to expand our end-markets, service offerings and geographic reach. We derive acquisition synergies by expanding the pool of project opportunities of our acquired companies through enhancing their service offerings and bidding capacities. Our acquisition philosophy involves retaining the local management team of the acquired business, maintaining operational decisions at the local level and providing strategic insights and leadership through our senior management team. Acquisition integration primarily involves the implementation of our standardized bidding and management information systems across the functional areas of accounting and operations. These management information systems provide acquired companies with the necessary tools to capture and analyze cost and to improve operating results.

Common Processes and Technology Systems. We employ a common set of operational processes and utilize leading technology systems to track all of our operations. These practices and systems are important competitive advantages in several areas of our business. Our uniform estimating and job cost systems, developed for our business and improved internally, offers a critical advantage not only in the procurement of work, but also the procurement of profitable work, by providing an accurate measure of our cost for individual items in a bid. In contrast, we believe many of our competitors have not invested equivalent resources to develop systems with the same level of detail, which can make them less competitive in the bidding process and/or less profitable. We also track and analyze our competitors' historical bids and bidding tendencies, which provides us with a critical bidding advantage. Since all of our project teams utilize the same processes and are trained to the same standards, our management tools allow us to optimize personnel and equipment usage across our project portfolio during project execution, improving asset utilization and providing significant cost savings.

Experienced Management Team and Supportive Sponsor. Our executive officers are seasoned leaders with complementary skill sets and a track record of financial success spanning over 30 years and multiple business cycles. As the senior executives of the North American arm of an international construction company, our Chief Executive Officer and our Chief Financial Officer built a civil infrastructure company which operated over 50 HMA plants in five states before its sale in 1999. Collectively, they have successfully completed approximately 50 acquisitions in the civil infrastructure sector over the course of their careers. Our five Senior Vice Presidents possess over 150 years of combined management experience with both publicly and privately held civil infrastructure companies operating in the Southeastern United States. In addition, following this offering, SunTx will continue to own a significant economic interest in our Company. After giving effect to this offering and the Reclassification (as defined herein), SunTx will own shares of our Class B common stock and % of the voting power of our outstanding common stock. The Executive Chairman of our board of directors, Ned N. Fleming, III, played a key role in our founding, and we believe that we will continue to benefit from his ongoing involvement following the completion of this offering. Furthermore, we believe that our dual-class capital structure will contribute to the stability and continuity of our board of directors and senior management, allowing them to focus on creating long-term stockholder value.

Our Growth Strategy

***Capitalize on Increased State and Federal Spending on U.S. Transportation Infrastructure*.** There is currently an $836.0 billion backlog of projects to repair deteriorating bridges and highways in the United States. According to the American Society of Civil Engineers, the roads in each of the states in which we operate received infrastructure report cards with a grade of "B-" or "C." We expect the poor condition of the roads in the markets that we serve to provide consistent opportunities for growth. Funding for projects in these markets will come from a variety of sources. In addition to the FAST Act and other legislative proposals, each state in which we operate maintains a transportation infrastructure fund supported primarily by fuel taxes. Whether by state constitution or statute, these funds are generally protected and required to be used for transportation infrastructure purposes. We are well-positioned to take advantage of increased infrastructure spending due to our broad footprint of existing HMA production facilities designed with significant excess capacity across the Southeastern United States.

Organically Expand Our Geographic Footprint. We believe the economic climate of the Southeastern United States is more favorable than other parts of the country with commensurate population growth trends, which will lead to significant future federal, state and local infrastructure spending. We have the financial and organizational resources to add additional workforce and equipment, and we are highly experienced in developing new plant sites, to expand into adjacent markets. In addition, we maintain strategic partnerships with subcontractors affording additional scalability in labor and equipment. Our financial profile and track record also facilitate significant growth in bonding capacity—a challenge that may prove difficult for smaller, privately held competitors. We continually evaluate opportunities to expand organically in the Southeastern United States.

Consistent Pursuit of Acquisitions. Over the last 16 years, our consistent organic growth has been augmented by the successful acquisition and integration of 15 complementary construction businesses, establishing us as a leading industry consolidator. Our management team has acquired businesses in a variety of economic cycles, with the number of opportunities generally increasing in cyclical downturns. Our senior management team has successfully completed approximately 50 acquisitions over the course of their careers. Our management team's experience, industry expertise, integrity and strong relationships with industry players allow us to be considered a "buyer-of-choice" with targeted, high-quality prospective targets, most of which are family owned and operated. These advantages, together with the proceeds of this offering and the opportunity to use our equity as a component of acquisition consideration, should further enhance our acquisition prospects. We maintain an acquisition pipeline with a growing number of opportunities to expand our geographic footprint. While most opportunities in our pipeline consist of add-on acquisitions in the Southeastern United States, we also continuously evaluate platform investments that would allow expansion into states in the Southeastern United States.

Consistent with this strategy, on September 22, 2017, we acquired the ongoing sand and gravel mining operations located in Etowah, Elmore and Autauga counties in Alabama for approximately $10.8 million. This acquisition increased our aggregate reserves and will allow us to further capitalize on vertical integration opportunities. We continue to execute this strategy through the proposed acquisition described below under "Recent Developments."

Continue to Capitalize on Vertical Integration Opportunities. We consume approximately 80% of the HMA we produce and approximately 35% of the aggregates used in the production of HMA are internally sourced. In certain markets, we also mine aggregates, such as sand and gravel, used as raw materials in the production of HMA, which lowers our input costs. We believe there are additional vertical integration opportunities to enhance operational efficiency and allow us to capture additional margin throughout the value chain, including the acquisition or development of additional aggregate sites and liquid asphalt terminals.

Enhance Profitability Through Operational Improvements. We complement sophisticated business practices across our platform with fully integrated management information systems to drive operational efficiencies. With strategic oversight by our management team, operating income margins increased 310 basis points from fiscal

2015 to fiscal 2017. These margin improvements are accomplished through profit optimization plans and leveraging information technology and financial systems to improve project execution and control costs. Moreover, we improve margins on acquired businesses as we standardize business practices across functional areas, including, but not limited to, estimation, project management, finance, information technology, risk management, purchasing and fleet management.

Strengthen and Support Human Capital. We have an experienced and skilled workforce of over 1,800 employees, which we believe is our most valuable asset. Attracting, training and retaining key personnel have been and will remain critical to our success. We will continue to focus on providing our personnel with training, personal and professional growth opportunities, performance-based incentives, stock ownership opportunities and other competitive benefits in order to strengthen and support our human capital base.

Our Industry

We operate in the large and growing highway and road construction industry, which generated approximately $165.0 billion of revenues in 2014. Federal, state and local DOT budgets drive industry performance, with the public sector generating 95% of total industry revenues in 2016. In 2015, the FAST Act was passed, providing visibility and certainty of funding and planning for state DOTs. The FAST Act earmarked $305.0 billion for transportation infrastructure spending through 2020, with highway and transit projects accounting for $205.0 billion and $48.0 billion, respectively. In February 2018, the current administration announced an infrastructure plan to provide $200.0 billion in federal funds over the next ten years with the intent to spur at least $1.5 trillion in infrastructure investments with partners at the state, local and private levels. This plan could also drive an increase in spending on the significant backlog of national and local transportation infrastructure needs. The non-discretionary nature of highway and road construction services and materials supports highly stable and consistent industry growth.

Additionally, there are strong industry tailwinds in each of the five states in which we operate. The Alabama Transportation Rehabilitation and Improvement Program and Rural Assistance Match Program, created in 2012 and 2013, respectively, are initiatives aimed at investing $1.2 billion and $25.0 million, respectively, on the state's transportation infrastructure. The Florida Department of Transportation received $10.8 billion of funding for the 2017 fiscal year, with $4.1 billion specifically allocated for highway construction projects. In 2015, Georgia passed House Bill 170, replacing 34 short-term funding programs and providing $1.0 billion per year for transportation needs with a focus on the state's backlog of maintenance projects. In 2017, the North Carolina State Transportation Improvement Program increased the state's plan from a $320.0 million two-year program to a ten-year program estimated at $1.6 billion in additional transportation revenue. Finally, in 2016, South Carolina passed Act 275, which provides $4.2 billion in transportation infrastructure funding over the next ten years, an increase of $150.0 million per year over prior funding levels, with $2.0 billion directed toward widening and improving existing interstates and $1.4 billion directed toward pavement resurfacing.

Within the highway and road construction industry, we operate in the asphalt paving materials and services segment. Asphalt paving mix is the most common roadway material used today, covering 94% of the more than 2.7 million miles of paved U.S. roadways. We believe asphalt will continue to be the pavement of choice for roads due to its cost effectiveness, durability and reusability, as well as minimized traffic disruption during paving, as compared to concrete.

Competition is constrained in our industry because participants are limited by the distance that materials can be efficiently transported, resulting in a fragmented market of over 13,300 businesses, many of which are local or regional operators. Participants in these markets range from small, privately-held companies focused on a single

material, product or market to multinational corporations that offer a wide array of construction materials, products and paving and related services. In each market, our primary competitors are primarily local businesses, with an occasional large, national corporation providing competition.

Recent Developments

In December 2017, we entered into a non-binding letter of intent, and are currently engaged in discussions, on a proposed acquisition of the ongoing operations of a civil infrastructure company, with three HMA plants and sand mining and processing operations in the Southeastern United States. The proposed acquisition is consistent with our strategy to pursue add-on acquisitions in the Southeastern United States to grow our business. In addition, the proposed acquisition would increase our aggregate reserves and allow us to further capitalize on vertical integration opportunities.

The proposed purchase price is $50.0 million, subject to certain adjustments, which would be payable in cash at closing net of certain assumed liabilities. We expect to use a portion of the net proceeds from this offering and additional borrowings under the Term Loan to fund the acquisition. We do not expect this acquisition to be significant under Rules 3-05 and 1-02(w) of Regulation S-X.

Our completion of the proposed acquisition is subject to numerous conditions and contingencies, including the completion to our satisfaction of our due diligence, the negotiation and execution of definitive agreements, and the satisfaction of closing conditions. There cannot be any assurance that: (1) we will complete the proposed acquisition or provide a date by which the transaction will close; (2) the terms of the transaction will not differ, possibly materially, from those described here; or (3) if we complete the acquisition, we will be able to successfully integrate the acquired operations into our business or the acquired operations will result in increased revenue, profitability or cash flow.

Projects and Customers

We provide construction products and services to both public and private infrastructure projects, with an emphasis on highways, roads, bridges, airports, and commercial and residential sites in the Southeastern United States. We provide a wide range of large sitework construction, including site development, paving, and utility and drainage systems construction, and supply the HMA required for the projects. Our projects consist of both new construction and maintenance services. Publicly and privately funded projects accounted for approximately 70% and 30% of our fiscal 2017 construction contract revenues, respectively. Our public customers include federal agencies, state DOTs and local municipalities. Our private clients include commercial and residential developers and local businesses.

Our largest customers are state DOTs. For the fiscal year ended September 30, 2017, the Alabama DOT and the North Carolina DOT accounted for 14.9% and 13.9% of our revenues, respectively. Other than these customers, no other customer accounted for more than 10% of our revenues for such periods, and projects performed for various Departments of Transportation accounted for 41.9% of revenues. Our 25 largest projects accounted for 22.4% of revenues for the fiscal year ended September 30, 2017.

Though larger than our average size project of $1.7 million in fiscal 2017, the selected projects below exhibit the wide range of our service capabilities and provide insight into our most recent organic growth initiative.

Project 1—NORTH CAROLINA DOT I-95 IMPROVEMENTS

INSERT PICTURE

Contract Value: $53.2 million
Type of Bid: Fixed Unit Price
Targeted Completion Date: February 2021
Key Highlights:

- Seven miles of widening on I-95
- Prime contractor
- 306,000 tons of HMA
- Scope of project includes grading, storm water drainage, HMA paving, and construction of bridges and concrete structures

Project Highlights: This project includes grading, storm water drainage, HMA paving and construction of concrete structures, including two new bridges, along a seven mile stretch of I-95 in Johnson County, North Carolina. This project is part of an organic growth initiative to expand our operations in North Carolina. While this project will include existing workforce and equipment, we will also purchase a new HMA plant and establish a new permanent plant site in close proximity to the job site. Not only will this allow us to furnish HMA to this project, but it will also establish a new market for bidding, which we believe will organically expand our geographic footprint for additional bidding opportunities in the future.

Project 2—HUNTSVILLE MADISON COUNTY AIRPORT AUTHORITY—TAXIWAY CHARLIE (GROUP VI PHASE 4B)

INSERT PICTURE

Contract Value: $15.9 million
Type of Bid: Fixed Unit Price
Completion Date: March 2018
Key Highlights:

- Airport taxiway construction
- Prime contractor
- 3,500 linear feet of new taxiway construction
- 55,000 tons of aggregate base course
- 38,000 tons of HMA
- Two box culverts

Project Highlights: This project includes grading, storm water drainage, box culverts, aggregate base, HMA paving and airfield lighting for a new taxiway at the Huntsville Madison County International Airport. The Group VI series of projects are being constructed to allow the airport to accommodate Group VI aircraft, such as Boeing 747-8 and Airbus A380. The scope of work, tight tolerances, very short completion timeline and close proximity of our Huntsville HMA plant combine to create a project that fits our competitive position and experience. Phase 4B is a continuation of Phase 4A, which we completed on schedule and within the budget in 2016. Having been the prime contractor for the previous phase of the project was a major advantage for us. Our project team and proven group of subcontractors were already in place and familiar with the project requirements, which provided a distinct bidding advantage.

Project 3—FLORIDA DOT—US-90 IMPROVEMENTS

INSERT PICTURE

Contract Value: $3.8 million
Type of Bid: Fixed Unit Price
Completion Date: January 2018
Key Highlights:

- Ten miles of highway construction
- Prime contractor
- 24,000 tons of HMA
- Widening, milling, HMA paving and miscellaneous subcontract work

Project Highlights: We were chosen as the prime contractor for various improvements on US-90. This project requires multiple methods of paving in order to upgrade the serviceability of US-90 in Monticello, Florida. The rural section of this project involves widening shoulders while protecting the scenic Crepe Myrtles trees lining the roadway. The urban section of this project consists of sidewalk repairs, as well as milling, minor drainage, signing, resurfacing and striping. Our Tallahassee, Florida HMA plant is in close proximity, allowing us to efficiently and economically transport materials to the job site.

Project 4—GEORGIA DOT STATE ROUTE 230 RESURFACING

INSERT PICTURE

Contract Value: $2.5 million
Type of Bid: Fixed Unit Price
Targeted Completion Date: April 2018
Key Highlights:

- 14 miles of HMA resurfacing
- Prime contractor
- 28,000 tons of HMA
- Miscellaneous subcontract work

Project Highlights: This project involves the placement of an open graded crack relief interlayer of HMA followed by a layer of recycled asphaltic concrete superpave surface mix. Upon completion of the HMA construction on this project, the roadway shoulders will be rehabilitated and the roadway will receive new traffic striping. We will internally source the HMA from our plant located in Cary, Georgia, which is in close proximity to the job site. The close proximity of our HMA plant and our highly efficient paving crews provided us an advantage in the bidding process.

Contract Backlog

Our contract backlog was $364.1 million, $549.9 million and $550.9 million at September 30, 2016, September 30, 2017 and December 31, 2017, respectively.

We generally include a construction project in our contract backlog at the time it is awarded and to the extent we believe funding is probable. Backlog is not a term recognized under GAAP, but it is a common measure used in our industry. Our backlog consists of uncompleted work on contracts in progress and contracts for which we have executed a contract but have not commenced the work. For uncompleted work on contracts in progress we include (i) executed change orders, (ii) pending change orders for which we expect to receive confirmation in the ordinary course of business and (iii) claims that we have made against our customers for which we have

determined we have a legal basis under existing contractual arrangements and as to which we consider collection to be probable. Backlog on uncompleted work on contracts in progress was $292.9 million, $457.6 million and $445.3 million at September 30, 2016, September 30, 2017 and December 31, 2017, respectively. Our backlog also includes low bid/no contract jobs which consist of (i) public bid jobs where we were the low bidder and no contract has been executed and (ii) private work jobs where we have been notified we are the low bidder or have been given a notice to proceed, but no contract has been executed. Low bid/no contract backlog was $71.2 million, $92.3 million and $105.5 million at September 30, 2016, September 30, 2017 and December 31, 2017, respectively. At December 31, 2017, we expect approximately 62% of our contract backlog will be completed during the current fiscal year.

Certain customer contracts contain options that are exercisable at the discretion of our customer to award additional work to us, without requiring us to go through an additional competitive bidding process. In addition, some customer contracts also contain task orders that are signed under master contracts pursuant to which we perform work only when the customer awards specific task orders to us. Awarded contracts that include unexercised contract options and unissued task orders are included in contract backlog to the extent such options are exercised or the issuance of such task orders is probable.

Substantially all of the contracts in our contract backlog, as well as unexercised contract options and unissued task orders, may be canceled or modified at the election of the customer. Historically, we have not experienced material amounts of contract cancellations or modifications. Many projects are added to our contract backlog and completed within the same fiscal year and therefore may not be reflected in our beginning or year-end contract backlog. Contract backlog does not include external sales of HMA and aggregates. See "—Types of Contracts and Contract Management."

Information Systems

We utilize standardized information technology systems across all areas of bidding, plant production, job management, and accounting for the purpose of enhanced procurement of work, project execution and financial controls. We provide information technology oversight and support from our corporate headquarters in Dothan, Alabama. The operational information systems we employ throughout our company are industry specific applications that in some cases have been internally or vendor modified and improved to fit our operations. Our enterprise resource planning software is integrated with our operational information systems wherever possible to deliver relevant, real-time operational data to designated personnel. The company-wide standardization of our information systems allows for the efficient integration of newly acquired companies. Accounting and operations personnel of acquired companies are trained not only by our information technology support staff, but by long-tenured employees in our organization with extensive experience using our systems. We believe our information systems provide our people with the tools to execute their individual job function and achieve our strategic initiatives.

Competition

We compete against multiple competitors in all of the markets in which we operate. Our competitors typically range from small, family-owned companies focused on a single material, product or market to multinational corporations that offer a wide array of construction materials, products and paving and related services. In each market, our primary competitors are usually local businesses, and occasionally, a large, national corporation. Based on our project management experience, financial strength, reputation for quality, aggregate materials availability, operating efficiencies and location advantages, we believe we are well-positioned to compete effectively in the markets in which we operate.

Types of Contracts and Contract Management

Types of Contracts

Our customer contracts are primarily fixed unit price contracts. Pricing on a fixed unit price contract is typically based on approved quantities. We also from time to time enter into fixed total price contracts, also known as lump sum contracts, which require that the total amount of work be performed for a single price. Another type of contract we enter into less frequently are design build contracts, which are generally performed under special fixed unit price arrangements. Our contracts generally take four to nine months to complete. During fiscal year 2017, our average contract amount was $1.7 million. For the majority of our customer contracts, upon completion and final acceptance, we receive our final payment upon completion of the necessary contract closing documents and our obligations to the owner are final at that point. On some contracts, we are required to furnish a warranty on our construction. These warranties, when required, are usually one year in length but can range up to three years according to the owners' specifications. Historically, warranty claims have not been material to our business.

Contract Management

We identify potential contracts through a variety of sources, including: (i) subscriber services that consolidate and alert us to contracts open for bidding; (ii) posted solicitations by federal, state and local governmental entities through agency websites, disclosure of long-term infrastructure plans or advertising and other general solicitations; (iii) our business development efforts; and (iv) communications with other participants in our industry. We take into consideration several factors that can create variability in contract performance and our financial results compared to our bid assumptions and methodologies on a contract. As a result, after determining the potential contracts that are available, we decide which contracts to pursue based on a non-exclusive list of factors, which include relevant skills required by the contract, the contract size and duration, availability of our personnel and equipment, size and makeup of our current contract backlog, our competitive advantages and disadvantages, our prior experience, the contracting agency or customer, the source of contract funding, geographic location, likely competition, construction risks, gross margin opportunities, penalties or incentives and type of contract.

To ensure the successful completeness and accuracy of our original bid analysis, the bid preparation for potential projects typically involves three phases.

- *Phase One*: We review the plans and specifications of the project so that we can identify (i) the various types of work involved and related estimated materials, (ii) the contract duration and schedule, and (iii) any unique or risky aspects of the project.
- *Phase Two*: We estimate the cost and availability of labor, materials and equipment, subcontractors and the project team required to complete the contract in accordance with the plans, specifications and construction schedule. Substantially all of our estimates are made on a per unit basis for each bid item, with the typical contract containing 50 to 200 bid items.
- *Phase Three*: Management conducts a detailed review of the estimate. This review includes an analysis of assumptions regarding cost, the approach, means and methods of completing the project, assumptions regarding staffing and productivity and assumptions regarding risk. After concluding this detailed review of the cost estimate, management determines the appropriate profit margin to calculate the total bid amount. This profit amount varies according to management's perception of the degree of difficulty of the contract, the existing competitive climate, and the size and makeup of our contract backlog. Throughout this process, we work closely with our project managers so that all issues concerning a contract, including any risks, can be better understood and addressed as appropriate.

To ensure subcontracting costs used in tendering bids for construction contracts do not change, we obtain firm quotations from our subcontractors before submitting a bid. Also, to mitigate the risk of material price changes, we obtain "not to exceed" quotations from our suppliers, which, for projects of longer duration, usually contain price

escalator provisions. These quotations typically include quantity guarantees that are tied to our prime contract. We have no obligation for materials or subcontract services beyond those required to complete the respective contracts that we are awarded for which quotations have been provided.

After a contract has been awarded and during the construction phase, we monitor our progress by comparing actual costs incurred and quantities completed to date with budgeted amounts and the project schedule. Monthly, we review our estimate of total forecasted revenue, cost and expected profit for each contract.

During the normal course of some projects, we or our customer may initiate modifications or changes to the original contract to reflect, among other things, changes in quantities, specifications or design, method or manner of performance, facilities, materials, site conditions and period for completion of the work.

Generally, the scope and price of these modifications are documented in a "change order" to the original contract and reviewed, approved and paid for in accordance with the normal change order provisions of the contract. Occasionally, we are asked to perform extra or change order work as directed by the customer even if the customer has not agreed in advance on the scope or price of the work to be performed. This process may result in disputes over whether the work performed is beyond the scope of the work included in the original contract plans and specifications or, even if the customer agrees that the work performed qualifies as extra work, the price that the customer is willing to pay for the extra work. These disputes may not be settled to our satisfaction. Even when the customer agrees to pay for the extra work, we may be required to fund the cost of such work for a lengthy period of time until the change order is approved and funded by the customer. In addition, any delay caused by the extra work may adversely impact the timely scheduling of other work on the contract (or on other contracts) and our ability to meet contract milestone dates. Historically, we have been successful at managing the impacts caused by change orders, and change orders have not had a material adverse effect on our business.

Most contracts with governmental agencies provide for termination at the convenience of the customer, with requirements to pay us for work performed through the date of termination. The termination of a government contract for the convenience of the owner is an extremely rare occurrence. Many of our contracts contain provisions that require us to pay liquidated damages if specified completion schedule requirements are not met. Historically, we have not been materially adversely affected by liquidated damages provisions.

We act as prime contractor on most of our construction projects. As prime contractor, we are responsible for the performance of the entire contract, including subcontract work. To manage the risk of non-performance by our subcontractors, we typically require the subcontractor to furnish a bond or other type of security to guarantee its performance and/or we retain payments in accordance with contract terms until their performance is complete. Disadvantaged business enterprise regulations require us to use our good faith efforts to subcontract a specified portion of contract work done for governmental agencies to certain types of disadvantaged contractors or suppliers.

Insurance and Bonding

We maintain general and excess liability, property, workers' compensation and medical insurance, all in amounts consistent with industry practice.

In the ordinary course of our business, we are generally required to provide various types of surety bonds that provide an additional measure of security to the customer for our performance under certain public and private sector contracts. Our ability to obtain surety bonds depends upon our capitalization, working capital, past performance, management expertise and external factors, including the capacity of the overall surety market.

Surety companies consider such factors in light of the amount of our contract backlog that we have bonded and their underwriting standards. The capacity of the surety market is subject to market-based fluctuations driven primarily by the level of surety industry losses and the degree of surety market consolidation. Some of our competitors may be limited in the projects they can bid because of bidding and bonding capacity constraints. Our track record of successful project execution and profitability, coupled with a strong balance sheet, provide us with ample bidding and bonding capacity, which allows us to bid a large number of projects simultaneously. Since our inception, we have never been prohibited from pursuing a project due to bidding and bonding requirements.

Raw Materials

We purchase raw materials, including, but not limited to, diesel fuel, liquid asphalt, other petroleum-based resources, sand and rock from numerous sources. With few exceptions, we do not enter into long-term agreements to purchase raw materials. We receive quotes from suppliers, most with a "not to exceed" price for the quoted product over the life of a project. In the HMA production process, components of a mix include virgin aggregates, such as sand and rock, liquid asphalt, and reclaimed asphalt pavement ("RAP"). We are able to internally supply RAP, a byproduct of asphalt resurfacing projects, to all of our HMA plants, and virgin aggregates in some of our market areas. The majority of our HMA plants sit in or near suppliers' rock quarries, thereby reducing the hauling cost of material to our plant. The price and availability of raw materials may vary from year to year due to market conditions and production capacities. We do not expect a lack of availability of any raw materials over the next twelve months.

Seasonality

The activity of our business fluctuates due to seasonality because our business is primarily conducted outdoors. Therefore, seasonal changes and other weather-related conditions, in particular extended rainy and cold weather in the spring and fall and major weather events, such as hurricanes, tornadoes, tropical storms and heavy snows, can adversely affect our business and operations through a decline in both the use of our products and the demand for our services. In addition, construction materials production and shipment levels follow activity in the construction industry, which typically occurs in the spring, summer and fall. Warmer and drier weather during our third and fourth fiscal quarters typically result in higher activity and revenues during those quarters. Our first and second fiscal quarters typically have lower levels of activity due to weather conditions. Our third fiscal quarter varies greatly with spring rains and wide temperature variations. A cool, wet spring increases drying time on projects, which can delay sales in the third fiscal quarter, while a warm dry spring may enable earlier project startup.

Employees

We have an experienced and skilled workforce. Attracting, training and retaining key personnel have been and will remain critical to our success. Through the use of our management information systems, on-the-job training, and educational seminars, employees are trained to understand the importance of project execution. We place additional focus on training relative to estimating, project management and project cost control. Our crews typically specialize in a specific phase of construction, such as grading or paving, with each crew member assigned to a specific task in order to maximize daily production. A core tenet of our organizational philosophy is to promote from within and offer advancement opportunities at all levels of employment to incentivize professional excellence, which helps us retain talented employees. Moreover, we proactively recruit additional talent in both conventional and creative manners to fill open positions when promoting internally is not an option.

At December 31, 2017, we employed approximately 525 salaried employees and 1,325 hourly employees. The total number of hourly personnel is subject to the volume of projects in progress and is seasonal. During fiscal

2017, the number of hourly employees ranged from approximately 1,200 to 1,350 and averaged approximately 1,300. We are not subject to any collective bargaining agreements with respect to any of our employees. We believe that we have strong relationships with our employees.

Training and Safety

We place a high emphasis on the safety of the public, our customers and our employees. To that end, we conduct extensive safety training programs, which have allowed us to maintain a high safety level at our worksites. All newly-hired employees undergo an initial safety orientation, and for certain types of projects and processes, we conduct specific hazard training programs. Our project foremen and superintendents conduct on-site safety meetings, and our full-time safety inspectors make random site safety inspections and perform assessments. In addition, certain operational employees are required to complete an OSHA-approved and/or MSHA-approved safety course. Moreover, we promote a culture of safety by encouraging employees to immediately correct and report all unsafe conditions.

Environmental Regulations

Our operations are subject to stringent and complex federal, state and local laws and regulations governing the environmental, health and safety aspects of our operations or otherwise relating to environmental protection. These laws and regulations may impose numerous obligations on our operations, including:

- the acquisition of a permit or other approval before conducting regulated activities;
- the restriction of the types, quantities and concentration of materials that can be released into the environment;
- the limitation or prohibition of activities on certain lands lying within wilderness, wetlands, and other protected areas;
- the application of specific health and safety criteria addressing worker protection; and
- the imposition of substantial liabilities for pollution resulting from our operations.

Such federal laws include the Resource Conservation and Recovery Act and the Comprehensive Environmental Response, Compensation and Liability Act, governing solid and hazardous waste management, the Clean Air Act and the Clean Water Act, protecting air and water resources, and the Toxic Substances Control Act, governing the management of hazardous materials, in addition to analogous state laws. Numerous governmental authorities, such as the EPA and analogous state agencies, have the power to enforce compliance with these laws and regulations and the permits issued under them. Such enforcement actions often involve difficult and costly compliance measures or corrective actions. Failure to comply with these laws and regulations may result in the assessment of sanctions, including administrative, civil or criminal penalties, natural resource damages, the imposition of investigatory or remedial obligations, and the issuance of orders limiting or prohibiting some or all of our operations. In addition, we may experience delays in obtaining, or be unable to obtain, required permits, which may delay or interrupt our operations and limit our growth and revenue.

Certain environmental laws impose strict liability (i.e., no showing of "fault" is required) as well as joint and several liability for costs required to remediate and restore sites where hazardous substances, hydrocarbons or solid wastes have been stored or released. We may be required to remediate contaminated properties currently or formerly owned or operated by us or regardless of whether such contamination resulted from the conduct of others or from the consequences of our own actions that were in compliance with all applicable laws at the time those actions were taken. In connection with certain acquisitions, we could acquire, or be required to provide indemnification against, environmental liabilities that could expose us to material losses. Furthermore, the existence of contamination at properties we own, lease or operate could result in increased operational costs or restrictions on our ability to use those properties as intended, including for mining purposes.

In certain instances, citizen groups also have the ability to bring legal proceedings against us if we are not in compliance with environmental laws, or to challenge our ability to receive environmental permits that we need to operate. In addition, claims for damages to persons or property, including natural resources, may result from the environmental, health and safety impacts of our operations. Our insurance may not cover all environmental risks and costs or may not provide sufficient coverage if an environmental claim is made against us. Moreover, public interest in the protection of the environment has increased dramatically in recent years. The trend of more expansive and stringent environmental legislation and regulations applied to the construction industry could continue, resulting in increased costs of doing business and consequently affecting profitability.

We have incurred, and may in the future incur, significant capital and operating expenditures to comply with such laws and regulations. To the extent laws are enacted or other governmental action is taken that restricts our operations or imposes more stringent and costly operating, waste handling, disposal and cleanup requirements, our business, prospects, financial condition or results of operations could be materially adversely affected.

We regularly monitor and review our operations, procedures, and policies for compliance with our operating permits and related laws and regulations. We believe that our operations and facilities, whether owned or leased, are in substantial compliance with applicable environmental laws and regulations and that any non-compliance is not likely to have a material adverse effect on our operations or financial condition.

Industrial operations, including equipment maintenance and storage, asphalt manufacturing and processing, underground storage tank usage, and other storage and use of hazardous materials and petroleum products, have been and/or are conducted at our facilities for, in some cases, over fifty (50) years. While we have conducted our operations in substantial compliance with applicable environmental laws, we have, from time to time, identified contamination associated with these activities at several of our facilities, including at our offices and shops located in Raleigh, NC. We have incurred costs for the investigation and remediation of hazardous substances and petroleum products identified at several facilities and investigation and remediation activities are ongoing at several facilities. In addition, additional investigation would be required to rule out such contamination at our HMA plants in Clanton, AL, Fort Payne, AL, Guntersville, AL and Raleigh, NC. We may also become subject to similar liabilities in connection with prior and future acquisitions. We do not believe that liabilities associated with known or potential contamination at any of our facilities will have a material adverse effect on our operations or financial condition.

Properties

Our headquarters are located in a 7,000 square foot owned office space in Dothan, Alabama. At March 31, 2018, we operated 27 HMA plants and had 30 office locations and six quarries. We believe all of our properties are suitable for their intended use and that our facilities are adequate to conduct our operations. However, we routinely evaluate the purchase or lease of additional properties or the consolidation of our properties, as our business needs change.

The following table sets forth specifics of the properties that we own or lease.

Property Location	Owned/Leased	Quarry	HMA Plant	Office Space
Alabama				
Andalusia	Leased	—	—	X
Ariton	Owned	—	X	X
Brantley	Leased	—	X	—
Calera	Leased	—	X	—
Clanton	Owned	—	X	X
Deatsville	Owned	X	—	X
Decatur	Owned	—	X	X
Dothan	Leased	—	—	X
Dothan (headquarters)	Owned	—	—	X
Ft. Payne	Leased	—	X	—
Gadsden	Owned	X	—	X
Guntersville	Leased	—	—	X
Guntersville	Leased	—	X	—
Headland	Owned	—	X	X
Huntsville	Owned	—	X	—
Huntsville	Owned	—	—	X
Lacon	Leased	—	X	—
Montgomery	Leased	—	—	X
Montgomery	Owned	—	—	X
Montgomery	Owned	—	X	X
Owens Cross Roads	Leased	—	—	X
Pelham	Leased	—	—	X
River Falls	Leased	—	X	—
Scottsboro	Owned	—	X	—
Shorter	Owned	X	—	X
Shorter	Owned	—	X	—
Shorter	Leased	X	—	—
Skyline	Leased	X	—	X
Florida				
Freeport	Owned	—	X	X
Freeport	Owned	X	—	—
Hosford	Owned	—	—	X
Panama City	Owned	—	X	X
Plant City	Owned	—	X	X
Tallahassee	Owned	—	X	X
Tallahassee	Owned	—	—	X
Wildwood	Owned	—	X	X
Georgia				
Cochran	Owned	—	—	X
Cochran	Owned	—	X	X
Oak Park	Leased	—	X	—
Surrency	Owned	—	X	X

Property Location	Owned/Leased	Quarry	HMA Plant	Office Space
North Carolina				
Holly Springs	Leased	—	X	—
Kenly	Leased	—	X	—
Knightdale	Leased	—	X	—
Raleigh	Owned	—	—	X
Raleigh	Leased	—	—	X
Raleigh	Leased	—	X	—
Wake Forest	Leased	—	X	—

Intellectual Property

We own Internet domains in the United States that we use in connection with our business. We do not own or license any patents.

Legal Proceedings

Due to the nature of our business, we are involved in routine litigation or subject to other disputes or claims related to our business activities, including workers' compensation claims and employment-related disputes. In the opinion of our management, none of the pending litigation, disputes or claims against us, if decided adversely to us, would have a material adverse effect on our financial condition, cash flows or results of operations.

MANAGEMENT

Directors and Executive Officers

Set forth below is the name, age, position and a brief description of the business experience of each of our directors and executive officers at April 6, 2018.

Name	Age	Position
Ned N. Fleming, III	57	Executive Chairman of the Board of Directors and Director
Charles E. Owens	68	President, Chief Executive Officer and Director
R. Alan Palmer	66	Executive Vice President and Chief Financial Officer
M. Brett Armstrong	57	Senior Vice President
Robert P. Flowers	58	Senior Vice President
John L. Harper	53	Senior Vice President
F. Julius Smith, III	48	Senior Vice President
John A. Walker	61	Senior Vice President
Craig Jennings	59	Director
Mark R. Matteson	54	Director
Michael H. McKay	56	Director
Stefan L. Shaffer	61	Director

Ned N. Fleming, III is one of the founders of our Company and has served as Executive Chairman of our board of directors since our inception. He has served as Managing Partner of SunTx since 2001. He also serves as Chairman of the board of directors of NationsBuilders Insurance Services, Inc., Ranger Offshore, Inc. and Big Outdoor LLC, and as a member of the board of directors of Veritex Holdings, Inc. (Nasdaq: VBTX). Mr. Fleming previously served as a member of the board of directors of DF&R Restaurants, Inc., a formerly publicly traded restaurant operator, and Spinnaker Industries, Inc., a publicly traded material manufacturing company. Prior to co-founding SunTx in 2001, Mr. Fleming served as President and Chief Operating Officer of Spinnaker Industries, Inc. until its sale in 1999. Prior to that, Mr. Fleming worked at a Dallas-based private investment firm, where he led acquisitions in the food and beverage and defense industries. Mr. Fleming received a Master of Business Administration with distinction from Harvard Business School and a Bachelor of Arts in Political Science from Stanford University. Due to his role with our Company since our inception, Mr. Fleming has significant knowledge of us and our industry, which we believe makes him well-qualified to serve as a director of our Company.

Charles E. Owens is one of the founders of our Company and has served as our President and Chief Executive Officer since its inception. He has been a member of our board of directors since 2001 and has overseen the successful acquisition and integration of 15 companies. From 1990 until its sale in 1999, Mr. Owens was President and Chief Executive Officer of Superfos Construction U.S., Inc. (“Superfos”), the North American operation of Superfos a/s, a publicly held Danish company. During his tenure at Superfos, he oversaw the successful acquisition and integration of approximately 35 companies, turning Superfos into one of the largest highway construction companies in the United States. Prior to 1990, Mr. Owens was President of Couch Construction, Inc., a subsidiary of Superfos headquartered in Dothan, Alabama. Mr. Owens received a Bachelor of Business Administration from Troy University. Due to his role with our Company since our inception, Mr. Owens has significant knowledge of us and our industry, which we believe makes him well-qualified to serve as a director of our Company.

R. Alan Palmer is one of the founders of our Company and has served as our Executive Vice President and Chief Financial Officer since 2006. Between 2001 and 2006, Mr. Palmer provided consulting services to the Company.

Prior to 2000, Mr. Palmer was Vice President and Chief Financial Officer of Couch Construction, Inc. and Superfos. Mr. Palmer has been principally involved in the acquisition and integration of approximately 50 companies alongside Mr. Owens over the course of his career. Mr. Palmer is a Certified Public Accountant. Mr. Palmer received a Bachelor of Science in Accounting from Auburn University.

M. Brett Armstrong has served as our Senior Vice President since 2017 and has served as Chief Operating Officer of Wiregrass Construction Company, Inc. ("WCC"), a subsidiary of our Company acquired in 2002, since 2008 and as Vice President and Area Manager of WCC from 2000 to 2008. Mr. Armstrong has over 30 years of construction management experience. Prior to joining WCC, he was Area Manager over the Columbus, Georgia division of Ashland Paving and Construction, Inc. Prior to that, he was Area Manager over the Columbus, Georgia division of Superfos. Mr. Armstrong holds a Bachelor of Science in Civil Engineering from Auburn University.

Robert P. Flowers has served as our Senior Vice President since 2017 and has served as President of C.W. Roberts Contracting, Inc. since joining our Company in 2013. Mr. Flowers has over 30 years of construction management experience. Prior to joining our Company, he was Executive Vice President of Estimating and Construction for Barlovento, LLC, a general contractor performing civil and commercial construction throughout the United States. Prior to that, Mr. Flowers was the Georgia Platform President of Superfos.

John L. Harper has served as our Senior Vice President since 2017 and has served as President of WCC, a subsidiary of our Company acquired in 2002, since 1996. Mr. Harper has over 30 years of construction management experience. Prior to becoming President of WCC, he served as Vice President of Estimating/Project Management. An active member of several state and national highway construction organizations, Mr. Harper currently serves as the Second Vice Chairman of the National Asphalt Pavement Association. Mr. Harper received a Bachelor of Science in Finance from Auburn University.

F. Julius Smith, III has served as our Senior Vice President since 2017 and has served as President of Fred Smith Construction, Inc., a subsidiary of our Company acquired in 2011, since 2009. With over 20 years of construction management experience, Mr. Smith previously served as Chief Operating Officer of Fred Smith Construction, Inc. from 2005 to 2009. Prior to that, he held various other positions within Fred Smith Construction, Inc. and also served in the supply corp of the U.S. Navy. Mr. Smith received a Master of Business Administration and a Bachelor of Arts in History from Wake Forest University.

John A. Walker has served as our Senior Vice President since 2017 and previously served as Vice President of Business Development since joining our Company in 2009. Mr. Walker has over 30 years of experience in the construction industry. Before joining our Company, he was a Regional Vice President at Oldcastle Materials, Inc. Prior to that, he was the Alabama Platform President of Superfos. Mr. Walker is a Licensed Professional Engineer and holds a Bachelor of Science in Civil Engineering from Auburn University.

Craig Jennings has served as a member of our board of directors since 2017. Since 2001, he has been a partner and Chief Financial Officer of SunTx. He also serves as Chairman of the board of directors of Interface Security Systems Holdings, Inc. and as a member of the board of directors of Ranger Offshore, Inc. Prior to co-founding SunTx, Mr. Jennings was Vice President of Finance and Treasurer of Spinnaker Industries, Inc., a publicly traded materials manufacturing company, until its sale in 1999. Prior to that, Mr. Jennings held senior finance positions at a publicly traded oil field services company and a publicly traded food and beverage company. Prior to that, Mr. Jennings was a Senior Audit Manager with Ernst & Young LLP. Mr. Jennings received his Bachelor of Business Administration from the University of Toledo and is a Certified Public Accountant. We believe that Mr. Jenning's investment, financial and directorship experience makes him well-qualified to serve as a director of our Company.

Mark R. Matteson has served as a member of our board of directors since our inception and was appointed as Chairman of our Audit Committee in 2008. Since 2001, he has been a partner of SunTx. Prior to co-founding SunTx in 2001, Mr. Matteson was Vice President of Corporate Development of Spinnaker Industries, Inc., a publicly traded materials manufacturing company, until its sale in 1999. He currently serves as Chairman of the board of directors of Carolina Beverage Group and as a member of the board of directors of NationsBuilders Insurance Services, Inc. Mr. Matteson received a Master of Business Administration from Georgetown University and a Bachelor of Arts in Foreign Service and International Politics from The Pennsylvania State University. Due to his role with our Company since our inception, Mr. Matteson has significant knowledge of us and our industry, which we believe makes him well-qualified to serve as a director of our Company.

Michael H. McKay has served as a member of our board of directors since 2002 and was appointed to our Audit Committee in 2008. Mr. McKay has been an Advisory Partner at Bain & Company since 2009. He also serves as a member of the board of directors of Big Outdoor Holdings, LLC and Hubbardton Forge, LLC. Since joining Bain & Company in 1987, he helped found its Private Equity Group and has evaluated and developed strategies for hundreds of businesses. From 2004 to 2006, Mr. McKay served as Chief Investment Officer of a principal investment firm based in Washington D.C., making public and private investments, and was Managing Partner of a Boston-based hedge fund from 2006 to 2009. Mr. McKay is also a Senior Lecturer at the Brandeis International Business School, where he has served on the faculty since 2010. Mr. McKay received a Master of Business Administration from The University of Chicago Graduate School of Business, where he received the Mayer Prize as top graduating student, and a Bachelor of Arts with high distinction in Economics from Harvard University. We believe that Mr. McKay's experience analyzing, financing and investing in public and private companies makes him well-qualified to serve as a director of our Company.

Stefan L. Shaffer has served as a member of our board of directors since 2017. Mr. Shaffer is the Managing Partner of SPP Capital Partners, a middle market investment banking and asset management firm, which he co-founded in 1989. Prior to founding SPP Capital Partners, Mr. Shaffer was a Vice President in the Private Placement Group at Bankers Trust Company from 1986 to 1989, and worked as attorney with the law firm of White & Case from 1982 to 1986. Mr. Shaffer received a Juris Doctor from Cornell University Law School and a Bachelor of Arts from Colgate University. We believe that Mr. Shaffer's experience analyzing, financing and advising public and private companies makes him well-qualified to serve as a director of our Company.

Board of Directors

The number of members of our board of directors will be determined from time to time by resolution of our board of directors. Currently, our board of directors consists of six persons. Our amended and restated certificate of incorporation will provide that our board of directors will be divided into three classes, with the classes to be as nearly equal in number as possible, and with the directors serving three-year terms. As a result, approximately one-third of our board of directors will be elected each year.

Director Independence and Controlled Company Exemption

Because SunTx will beneficially own a majority of the voting power of our outstanding common stock following the completion of this offering, we expect to be a controlled company under the corporate governance standards of The Nasdaq Stock Market LLC. As a controlled company, we will not need to comply with the applicable rules that would otherwise require our board of directors to have a majority of independent directors and our Compensation Committee and our Nominating and Governance Committee to be independent. Notwithstanding our status as a controlled company, we will remain subject to the applicable rules that require that our Audit Committee is composed entirely of independent directors, subject to a permitted "phase-in" period within one year of listing.

Following the completion of this offering, we intend to utilize some or all of the exemptions available to controlled companies. If at any time we cease to be a controlled company, we will take all action necessary to comply with the listing rules of The Nasdaq Stock Market LLC, including appointing a majority of independent directors to our board of directors and ensuring our Compensation Committee and our Nominating and Corporate Governance Committee are each composed entirely of independent directors, subject to any permitted "phase-in" periods. We will cease to qualify as a controlled company once SunTx ceases to own a majority of the voting power of our outstanding common stock.

To qualify as "independent" under the listing standards of The Nasdaq Stock Market LLC, a director must meet objective criteria set forth in the listing standards of The Nasdaq Stock Market LLC, and our board of directors must affirmatively determine that the director has no material relationship with us (either directly or as a partner, stockholder or officer of an organization that has a relationship with us) that would interfere with his or her exercise of independent judgment in carrying out his or her responsibilities as a director. The independence criteria of The Nasdaq Stock Market LLC include that the director not be our employee and not have engaged in various types of business dealings with us.

Our board of directors will review all direct or indirect business relationships between each director (including his or her immediate family members) and us, as well as each director's relationships with charitable organizations, to assess director independence as defined in the listing standards of The Nasdaq Stock Market LLC.

Board Observer Rights

In connection with The Northwestern Mutual Life Insurance Company ("Northwestern Mutual"), Thrivent Financial for Lutherans ("Thrivent") and USS-Constitution Partnership Fund, L.P. being limited partner investors in SunTx CPI Expansion Fund, L.P., a limited partnership ("SunTx CPI Expansion Fund"), which is one of our largest shareholders and controlled by SunTx, we entered into side letters with each of them pursuant to which each has the right to designate one representative to attend each meeting of our board of directors and any committee thereof. In certain limited circumstances, we have agreed to reimburse Northwestern Mutual and Thrivent for all reasonable out-of-pocket costs incurred by its representative in connection with traveling to and from and attending each Board meeting.

Committees of our Board of Directors

We currently have an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance committee. We may have such other committees as our board of directors shall determine from time to time. Each of our committees has the composition and responsibilities described below.

Audit Committee

Rules implemented by The Nasdaq Stock Market LLC and the SEC require us to have an audit committee comprised of at least three directors, each of whom meets the independence and experience standards established by The Nasdaq Stock Market LLC and the Exchange Act, subject to transitional relief during the one-year period following the completion of this offering. Our Audit Committee consists of the following members: Messrs. Matteson, McKay and Shaffer. Our board of directors has determined that qualifies as an "audit committee financial expert" (as defined in Item 407(d)(5) of Regulation S-K) and that Messrs. Shaffer and McKay are independent (as defined in Rule 10A-3 of the Exchange Act and under the listing standards of The Nasdaq Stock Market LLC). As required by the rules of the SEC and listing standards of The Nasdaq Stock Market LLC, our Audit Committee will consist of a majority of independent members within 90 days of the date our Class A common stock is listed on The Nasdaq Stock Market LLC and will be composed solely of independent directors within one year of such listing date.

Our Audit Committee oversees, reviews, acts on and reports on various auditing and accounting matters to our board of directors, including the selection of our independent accountants, the scope of our annual audits, fees to be paid to our independent accountants, the performance of our independent accountants and our accounting practices. In addition, our Audit Committee oversees our compliance programs relating to legal and regulatory requirements. We have a charter defining our Audit Committee's primary duties, a copy of which will be available on our website.

Compensation Committee

Our Compensation Committee consists of the following members: Messrs. Matteson, Fleming, III and Schaffer. Our Compensation Committee establishes salaries, incentives and other forms of compensation for our officers and other employees. Our Compensation Committee also administers our incentive compensation and benefit plans. We have a charter defining our Compensation Committee's primary duties, a copy of which will be available on our website.

Nominating and Corporate Governance Committee

Our Nominating and Corporate Governance Committee consists of the following members: Messrs. Fleming, III, Owens and Matteson. Our Nominating and Corporate Governance Committee identifies, evaluates and recommends qualified nominees to serve on our board of directors, develops and oversees our internal corporate governance processes and maintains a management succession plan. We have a charter defining our Nominating and Corporate Governance Committee's primary duties, a copy of which will be available on our website.

Code of Business Conduct and Ethics

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

Corporate Governance Guidelines

Prior to the completion of this offering, our board of directors will adopt corporate governance guidelines.

EXECUTIVE COMPENSATION

Our Named Executive Officers are:

Name[1]	Principal Position
Charles E. Owens	President and Chief Executive Officer
R. Alan Palmer	Executive Vice President and Chief Financial Officer
F. Julius Smith, III	Senior Vice President

(1) As an "emerging growth company" our "Named Executive Officers" consist of the individuals who served as our principal executive officer and our two other most highly compensated officers who served as executive officers during our last completed fiscal year.

2017 Summary Compensation Table

The following table provides information regarding the compensation of our Named Executive Officers during the fiscal year ended September 30, 2017.

Name and Principal Position	Year	Salary ($)	Bonus ($)[1]	Option Awards ($)[2]	All Other Compensation ($)[3]	Total ($)
Charles E. Owens President and Chief Executive Officer	2017	450,000	715,000	—	22,244	1,187,244
R. Alan Palmer Executive Vice President and Chief Financial Officer	2017	307,692	360,000	—	24,168	691,860
F. Julius Smith, III Senior Vice President	2017	396,250	565,000	412,062	22,042	1,395,354

(1) The amounts in this column consist of the Named Executive Officer's cash incentive bonus awards, which we award on a discretionary basis based on our board of directors' determination of our Company's performance. In addition, in the case of Mr. Smith, the amount shown includes $300,000 of cash retention payments made pursuant to his employment and non-competition agreement.

(2) The amount in this column represents the aggregate grant date fair value of option awards computed in accordance with FASB ASC Topic 718 and excludes the effect of estimated forfeiture. For assumptions used in determining the fair value of option awards, see Note 13 (Equity-based Compensation) to our consolidated financial statements included elsewhere in this prospectus.

(3) The amounts shown include the following items: (a) for Mr. Owens, the value of personal use of a Company-owned vehicle, Company-paid premiums for long-term care benefits, 401(k) plan matching contributions and Company-paid premiums for long-term disability insurance; (b) for Mr. Palmer, the value of personal use of a Company-owned vehicle, Company-paid premiums for long-term care benefits, 401(k) plan matching contributions and Company-paid premiums for long-term disability insurance; and (c) for Mr. Smith, the value of personal use of a Company-owned vehicle, 401(k) plan matching contributions and Company-paid premiums for life insurance.

Employment or Other Agreements

Mr. Smith

On June 27, 2014, FSC II, LLC ("FSC"), our indirect wholly owned subsidiary, entered into an employment and non-competition agreement with Mr. Smith, pursuant to which Mr. Smith serves as President of FSC. The initial term of the agreement continues until June 30, 2019. The agreement provides for Mr. Smith to receive during the initial term an annual base salary of not less than $350,000 (which was increased to $400,000 on January 1, 2017). At the end of the initial term, the agreement automatically extends on a month-to-month basis, unless either party provides written notice of termination before the end of the month in which the agreement is to be terminated. In addition, Mr. Smith receives monthly retention payments of $25,000 until June 30, 2019, unless his employment is terminated earlier by either party. Mr. Smith may from time to time be eligible to receive a discretionary bonus as we may determine.

Mr. Smith is eligible for the benefits and holidays offered to other FSC employees. Mr. Smith is entitled to family medical coverage and dental insurance at the expense of FSC under any health or dental insurance plan maintained by FSC for its employees, and to 15 days of paid vacation each year. Mr. Smith also is entitled to an FSC-provided cellular phone and to the use of an FSC-provided automobile in his conduct of FSC business for which FSC bears the maintenance costs. For as long as FSC is making retention payments to Mr. Smith, FSC will maintain and pay for a term life insurance policy on Mr. Smith's life in the amount of $2.0 million, for which Mr. Smith may designate the beneficiary or beneficiaries.

Equity Incentive Plans and Agreements

Non-Plan Stock Option Agreements

On March 31, 2010, we granted a non-plan stock option to Grace, Ltd., a company controlled by Mr. Owens. The option provides for the purchase of 9,475.15 shares of our common stock at an exercise price of $143.60 per share. The expiration date for the option is July 1, 2018. We intend to amend the option to extend the expiration date to July 1, 2021. The foregoing information regarding Mr. Owens's stock option does not give effect to the Reclassification.

On March 31, 2010, we granted a non-plan stock option to Mr. Palmer. The option provides for the purchase of 15,647.15 shares of our common stock at an exercise price of $143.60 per share. The expiration date for the option is July 1, 2018. We intend to amend the option to extend the expiration date to July 1, 2021. The foregoing information regarding Mr. Palmer's stock option does not give effect to the Reclassification.

On March 7, 2017, we granted a non-plan stock option to Mr. Smith. The option provides for the purchase of 2,960 shares of our common stock at an exercise price of $1.00 per share. The option was fully vested upon the date of grant, but is exercisable only during a change of control, as defined in the option agreement. The option expires on the earlier of (i) the termination of Mr. Smith's services, whether as our employee, director or consultant, (ii) March 7, 2027, and (iii) the occurrence of a change of control, after which all unexercised options will be cancelled. The foregoing information regarding Mr. Smith's stock option does not give effect to the Reclassification.

Construction Partners, Inc. 2016 Equity Incentive Plan

The Construction Partners, Inc. 2016 Equity Incentive Plan (the "2016 Plan") was adopted by our Company, and approved by our stockholders, on August 19, 2016. The purpose of the 2016 Plan is to enable us and our related

companies to obtain and retain the services of employees, consultants and directors who will contribute to our long range success and to provide incentives that are linked directly to increases in share value which will inure to the benefit of all stockholders. The 2016 Plan provides for the grant of awards of options, restricted stock and restricted stock units, performance awards, stock appreciation rights and other stock-based awards, and is administered by our Compensation Committee. Subject to adjustment in the event of any distribution, recapitalization, stock split, merger, consolidation or similar corporate event, the maximum number of shares available for awards under the 2016 Plan is 15,000 shares of our common stock. If an award under the 2016 Plan is cancelled, expires or otherwise terminates, or is forfeited or settled for cash and not in shares, the shares subject to such award will revert to, and again be available for new awards under, the 2016 Plan.

During the year ended September 30, 2016, we granted to certain employees options to purchase 10,000 shares of the Company's common stock. At December 31, 2017, all 10,000 of the stock options issued under the 2016 Plan have been exercised, and there were zero outstanding option awards under the 2016 Plan.

On February 23, 2018, we granted certain officers and other employees an aggregate of 5,000 restricted shares of our common stock under the 2016 Plan, 2,500 of which vested on the date of grant and 2,500 of which will vest on July 1, 2018. Specifically, Mr. Palmer was granted 1,400 restricted shares of our common stock, 700 shares of which vested on the date of grant and 700 shares of which will vest on July 1, 2018.

As of March 31, 2018, there are zero shares of our common stock available for additional awards under the 2016 Plan, subject to the provision of the 2016 Plan relating to the return of shares to the share reserve upon cancellation, expiration, termination, forfeiture or cash settlement.

Construction Partners, Inc. 2018 Equity Incentive Plan

Prior to the completion of this offering, we anticipate that our board of directors will adopt an amendment and restatement of the 2016 Plan and rename it the Construction Partners, Inc. 2018 Equity Incentive Plan (the "Restated Plan") pursuant to which our employees, directors and consultants (and those of our affiliates), including our Named Executed Officers, will be eligible to receive awards. We anticipate that the Restated Plan will provide for the grant of options, stock appreciation rights, restricted stock, restricted stock units, other stock-based awards and performance awards intended to align the interests of participants with those of our stockholders. The following description of the Restated Plan is based on the form we anticipate adopting, but the Restated Plan has not yet been adopted and the provisions below remain subject to change. As a result, the following description is qualified in its entirety by reference to the Restated Plan once adopted.

Eligibility

Employees, non-employee directors and consultants of us and our affiliates will be eligible to receive awards under the Restated Plan.

Administration

The Restated Plan will be administered by our Compensation Committee (the "Administrator") pursuant to its terms and all applicable state, federal or other rules or laws.

The Administrator will have the power to determine to whom and when awards are granted, determine the number of shares for awards, prescribe and interpret the terms and provisions of each award agreement (the terms of which may vary), accelerate the exercise terms of an award, delegate duties under the Restated Plan and execute all other responsibilities permitted or required thereunder.

Securities to be Offered

Subject to adjustment in the event of any distribution, recapitalization, stock split, merger, consolidation or similar corporate event, we anticipate that the number of shares available for delivery pursuant to awards under the Restated Plan will be equal to shares of our Class A common stock (the "Share Pool"). If an award under the Restated Plan is forfeited, settled for cash or expires without the actual delivery of shares, any shares subject to such award will revert to the Share Pool and again be available for new awards under the Restated Plan.

Types of Awards

Options

We may grant options to eligible persons including: (1) incentive options (only to our employees or those of our subsidiary or parent corporations) which comply with Section 422 of the Internal Revenue Code of 1986 (the "Code"); and (2) nonqualified options that are not intended to be incentive options. The exercise price of each option granted under the Restated Plan will be stated in the award agreement and may vary; however, the exercise price for an option will not be less than the fair market value per share of our Class A common stock as of the date of grant (or 110% of the fair market value for incentive options granted to holders of more than 10% of the voting power of all classes of stock of us or any of our subsidiary or parent corporations), nor will the option be re-priced without the prior approval of our stockholders. The fair market value per share of our Class A common stock will be determined based on reported transactions on The Nasdaq Stock Market LLC. Options may be exercised as the Administrator determines, but not later than ten years from the date of grant. The Administrator will determine the methods and form of payment for the exercise price of an option (including, in the discretion of the Administrator, payment by promissory note or by withholding of otherwise deliverable shares) and the methods and forms in which our Class A common stock will be delivered to a participant.

Stock Appreciation Rights

A stock appreciation right is the right to receive an amount equal to the excess of the fair market value of one share of our Class A common stock on the date of exercise over the grant price of the stock appreciation right, payable in either cash or shares or any combination thereof as determined by the Administrator. The per share grant price of a stock appreciation right will be determined by the Administrator, but in no event will the grant price be less than the fair market value of our Class A common stock on the date of grant, determined as described for options above. The Administrator will have the discretion to determine other terms and conditions of a stock appreciation rights award.

Restricted Stock Awards

A restricted stock award is a grant of shares of our Class A common stock subject to a risk of forfeiture, performance conditions, restrictions on transferability and any other restrictions imposed by the Administrator in its discretion. Restrictions may lapse at such times and under such circumstances as determined by the Administrator. Except as otherwise provided under the terms of the award agreement, the holder of a restricted stock award will have rights as a stockholder, including the right to vote the shares subject to the restricted stock award or to receive dividends on the shares subject to the restricted stock award during the restriction period. The Administrator will provide, in the award agreement, whether the restricted stock will be forfeited upon certain terminations of employment. Unless otherwise determined by the Administrator, Class A common stock distributed in connection with a stock split or stock dividend, and other property distributed as a dividend, will be subject to restrictions and a risk of forfeiture to the same extent as the restricted stock award with respect to which such Class A common stock or other property has been distributed.

Restricted Stock Units

Restricted stock units are rights to receive shares of our Class A common stock, cash or a combination of both stock and cash at the end of a specified period. The Administrator may subject restricted stock units to restrictions (which may include a risk of forfeiture) to be specified in the award agreement, which restrictions may lapse at such times determined by the Administrator. Restricted stock units may be settled by delivery of our Class A common stock, cash equal to the fair market value of the specified number of shares covered by the restricted stock units or any combination thereof determined by the Administrator at the date of grant or thereafter. The participant will not be entitled to receive dividends or dividend equivalents unless the award agreement specifically provides therefor.

Performance Awards

The vesting, exercise or settlement of awards may be subject to achievement of specified objective or subjective performance goals based on one or more business criteria set forth in the Restated Plan. The Administrator may use one or more of the following criteria, which may be applied to a participant, a business unit or to us and our affiliates, in establishing performance goals for such performance awards:

- revenues;
- earnings before all or any of interest expense, taxes, depreciation and/or amortization;
- funds from operations;
- funds from operations per share;
- operating income;
- operating income per share;
- pre-tax or after-tax income;
- net cash provided by operating activities;
- cash available for distribution;
- cash available for distribution per share;
- working capital and components thereof;
- sales (net or gross) measured by product line, territory, customer or customers or other category;
- return on equity or average stockholders' equity;
- return on assets;
- return on capital;
- enterprise value or economic value added;
- share price performance;
- improvements in our attainment of expense levels;
- implementation or completion of critical projects;
- improvement in cash-flow (before or after tax);
- net earnings;
- earnings per share;
- earnings from continuing operations;
- net worth;
- credit rating;
- levels of expense, cost or liability by category, operating unit or any other delineation;
- any increase or decrease of one or more of the foregoing over a specified period; or
- the occurrence of a Change in Control (as defined in the Restated Plan).

The Administrator may provide in any performance award for the inclusion or exclusion of the effect on reported financial results of any of the following events or occurrences: asset write-downs; litigation or claim judgments or settlements; changes in tax laws, accounting principles or other laws or provisions; reorganization or restructuring programs, including share repurchasing programs; acquisitions or divestitures; foreign currency exchange translation gains or losses; any loss from a discontinued operation as described in Accounting Standards Codification Topic 360; goodwill impairment charges; revenue or earnings attributable to a minority ownership in another entity; any amounts accrued by us or any subsidiary pursuant to management bonus plans or cash profit sharing plans and related employer payroll taxes for the fiscal year; any discretionary or matching contributions made to a savings and deferred profit-sharing plan or deferred compensation plan for the fiscal year; interest, expenses, taxes, depreciation and depletion, amortization and accretion charges; and gains and losses that are treated as extraordinary items under Accounting Standards Codification Topic 225. The level or levels of performance specified with respect to a performance goal may be established in absolute terms, as objectives relative to performance in prior periods, as an objective compared to the performance of one or more comparable companies or an index covering multiple companies on a per share basis, against our performance as a whole or against particular of our entities, segments, operating units or products, on a pre-tax or after-tax basis, in tandem with any other performance goal, or otherwise as the Administrator may determine.

Other Stock-Based Awards

The Administrator may grant other stock-based awards that are payable in, valued in whole or in part by reference to, or otherwise based on our Class A common stock, including without limitation dividend equivalent rights.

Change in Control and Other Corporate Transactions

In the event of a Change in Control (as defined in the Restated Plan) or certain other significant corporate transactions, outstanding awards will be treated as the Administrator determines in its discretion. The Administrator may arrange for continuation or assumption of awards, or substitution of equivalent awards of the surviving entity or its parent; cancel awards in exchange for cash or securities in an amount equal to the value of vested awards, or to the difference between the value of the underlying shares of our Class A common stock, and the exercise price for vested options and stock appreciation rights; or cancel outstanding awards without payment of any consideration, in which case participants will be given a reasonable period during which to exercise their awards.

Plan Amendment or Termination

Our board of directors or our Compensation Committee may amend or terminate the Restated Plan. However, stockholder approval will be required for any amendment to the extent necessary to comply with applicable law or exchange listing standards. In addition, our board of directors or our Compensation Committee may amend awards granted under the Restated Plan, but no amendment may impair the rights of a participant under any outstanding award without his or her consent. The Restated Plan will remain in effect for a period of ten years unless earlier terminated by our board of directors or our Compensation Committee.

Clawback

We anticipate that all awards under the Restated Plan will be subject to any clawback or recapture policy adopted by us, as in effect from time to time.

Outstanding Equity Awards at September 30, 2017

The following table presents information regarding outstanding equity-based awards held by our Named Executive Officers at September 30, 2017. This information does not give effect to the Reclassification.

Name	Number of Securities Underlying Unexercised Options (#) Exercisable[1]	Number of Securities Underlying Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date
Charles E. Owens	9,475.15	—	143.60	July 1, 2021
R. Alan Palmer	15,647.15	—	143.60	July 1, 2021
F. Julius Smith, III	—	2,960	1.00	(2)

(1) Mr. Owens holds unexercised options indirectly through Grace, Ltd., which were granted pursuant to a Non-Plan Stock Option Agreement, dated March 31, 2010, as amended on July 1, 2011. Mr. Palmer's unexercised options were granted pursuant to a Non-Plan Stock Option Agreement, dated March 31, 2010, as amended on July 1, 2011.

(2) Mr. Smith's option was granted pursuant to an Option Agreement, dated March 7, 2017, and may be exercised only on the occurrence of a change of control. The option expires on the earlier of (i) the termination of Mr. Smith's services, whether as our employee, director or consultant, (ii) March 7, 2027, and (iii) the occurrence of a change of control, after which all unexercised options will be cancelled.

Pension Benefits and Nonqualified Deferred Compensation; 401(k) Plan

We do not provide defined benefit pension benefits. Our Named Executive Officers are eligible to participate in the Construction Partners Holdings, Inc. 401(k) Plan (the "401(k) Plan") on the same basis as other employees who satisfy the 401(k) Plan's eligibility requirements. As such, our Named Executive Officers, along with other 401(k) Plan participants, are eligible for discretionary employer matching contributions and discretionary contributions. Effective January 1, 2017, all 401(k) Plan participants are eligible for employer matching contributions equal to 100% of the participant's elective deferral contributions that are not over 3% of the participant's compensation, plus 50% of the participant's elective deferral contributions that are over 3% of the participant's compensation but not over 5% of compensation.

Potential Payments upon Termination and a Change in Control

Employment Agreements

If FSC terminates Mr. Smith's employment for any reason, with or without Cause (as defined in his employment and non-competition agreement), he will be entitled to continued payment of his retention payments of $25,000 per month until June 30, 2019. In addition, if Mr. Smith's employment with FSC is terminated either voluntarily by Mr. Smith or by FSC for any reason except his death, FSC has the right to elect to enforce a two-year non-compete period, pursuant to which Mr. Smith will be restricted from competing with FSC in road construction, paving, grading, asphalt and any other business activity engaged in by FSC within 75 miles of the city limits of Raleigh, North Carolina. If FSC makes such election, Mr. Smith will be entitled to monthly non-compete payments equal to his then-current monthly base salary for the 24-month non-compete period.

Option Agreement

As described above under "Non-Plan Stock Option Agreements," Mr. Smith has an option to purchase 2,960 shares of our common stock at an exercise price of $1.00 per share in the event of a change of control. The foregoing information regarding Mr. Smith's stock option does not give effect to the Reclassification.

Director Compensation

The following table provides information regarding the compensation of our non-employee directors during the fiscal year ended September 30, 2017.

Name	Fees Earned or Paid in Cash ($)	Total ($)
Ned N. Fleming, III	—	—
Mark R. Matteson	—	—
Michael H. McKay	60,000	60,000
David Webb[(1)]	—	—

(1) On November 15, 2017, Mr. Webb resigned from his position as a member of our board of directors.

Our directors who are also our employees will not receive any additional compensation for their service on our board of directors, but we believe that attracting and retaining qualified non-employee directors is critical to our future growth and governance. We are reviewing the non-employee director compensation packages provided by certain peer companies and intend to implement a non-employee director compensation program in connection with this offering.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Review and Approval of Related Party Transactions

We do not currently have a written policy regarding the review and approval of related party transactions, but intend to implement such a policy in connection with, and prior to the completion of, this offering. We anticipate that one of our Audit Committee's functions will be to review and approve all relationships and transactions in which we and our directors, director nominees and executive officers and each of their immediate family members, as well as holders of more than 5% of any class of our capital stock and their immediate family members, have a direct or indirect material interest. We anticipate that such policy will be a written policy included as part the Audit Committee charter that will be implemented by our Audit Committee and in the code of business conduct and ethics that our board of directors will adopt prior to the completion of this offering. See "Management—Committees of our Board of Directors—Audit Committee."

Historically, our management and board of directors have reviewed and approved related party transactions. The terms of the related party transactions and agreements disclosed in this section were determined by and among affiliated entities and, consequently, are not necessarily the result of arm's length negotiations. Although our management and board of directors believe that the terms of the related party transactions described below are reasonable, it is possible that we could have negotiated more favorable terms for such transactions with unrelated third parties.

Our management and board of directors will continue to review and approve related party transactions until the adoption, prior to the completion of this offering, of the written policy described above.

Ongoing and Historical Transactions with Related Parties

We have engaged and continue to engage in related party transactions with certain current and former directors, members of management and beneficial holders of more than 5% of our capital stock.

Management Services Agreement

Construction Partners Holdings has a management services agreement with SunTx Capital Management Corp. ("SunTx Capital Management"), an affiliate of SunTx. Pursuant to the agreement, SunTx Capital Management provides management services to Construction Partners Holdings, including management services with respect to financing, business strategies and business development, in return for a monthly fee of $83,333, plus an amount not exceeding 2% of the total value in connection with any acquisition, disposition, debt or equity financings by Construction Partners Holdings and out-of-pocket expenses. The agreement expires on October 1, 2023. For these management services, Construction Partners Holdings paid SunTx Capital Management approximately $1.0 million during the fiscal year ended September 30, 2015, $1.3 million during each of the fiscal years ended September 30, 2016 and 2017, and approximately $0.3 million during the three months ended December 31, 2017. We have contributed $6.5 million of our cash on hand to be held in a reserve account to fund the future payment of fees under our management services agreement with SunTx Capital Management Corp. through the expiration of such agreement on October 1, 2023.

Registration Rights Agreement

We have a registration rights agreement (the "Registration Rights Agreement") with SunTx Fulcrum Fund Prime, L.P., SunTx Fulcrum Dutch Investors Prime, L.P., Squam Lake Investors IV, L.P. and certain other parties thereto. Pursuant to the Registration Rights Agreement, we are required to register under the Securities Act shares of our common stock owned by such holders (the "Registrable Securities") upon their request under the following circumstances:

Demand Registration Rights

Subject to certain restrictions, at any time after six months following the consummation of an initial public offering, holders of at least 20% of our outstanding Registrable Securities may demand that we register at least 50% of the aggregate number of Registrable Securities owned by such requesting holders. We are not obligated to file a registration statement pursuant to these demand provisions on more than two occasions on Form S-1. However, our holders are entitled to make an unlimited number of demands for registration on Form S-3; provided that we will not be obligated to file more than one registration statement on Form S-3 in response to a demand registration statement within six months after the effective date of any registration statement filed by us in response to a demand registration.

Piggy-back Registration Rights

If, at any time, we propose to register an offering of our securities, either for our account or for the account of our other holders, we must give written notice to the holders to allow each to include its shares in the registration, subject to certain marketing and other limitations.

Conditions and Limitations; Expenses

The registration rights are subject to certain conditions and limitations, including the right of the underwriters to limit the number of Registrable Securities to be included in a registration and our right to delay or withdraw registration statement under certain circumstances. We will generally pay all registration expenses in connection with our obligations under the Registration Rights Agreement. The Registration Rights Agreement also provides that we will indemnify our holders against certain liabilities which may arise under the Securities Act and terminates five years after the effective date of our initial public offering.

Other Transactions

On December 31, 2017, we sold a wholly-owned subsidiary to an immediate family member of Mr. Smith, our Senior Vice President, in consideration for a note receivable in the amount of $1.0 million, which approximated net book value of the disposed entity. In connection with this transaction, we also received a note receivable on December 31, 2017 in the amount of $0.9 million representing certain accounts payable of the disposed subsidiary that were paid by us. Principal and interest payments are scheduled to be made in periodic installments from January 2018 through December 2023.

On January 30, 2015, FSC entered into a master services subcontract with Austin Trucking, LLC (“Austin Trucking”), an entity owned by an immediate family member of Mr. Smith, our Senior Vice President. Pursuant to the agreement, Austin Trucking performs subcontract work for FSC, including trucking services. For these subcontract services, we incurred costs of approximately $10.9 million, $11.0 million and $11.8 million during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $2.9 million during the three months ended December 31, 2017. At September 30, 2015, September 30, 2016, September 30, 2017 and December 31, 2017, we had $0.7 million, $0.6 million, $1.0 million, and $0.4 million, respectively, due to Austin Trucking reflected in accounts payable.

From time to time, we provide construction services to various companies owned by Fred J. Smith, Jr., the father of Mr. Smith, our Senior Vice President. For these services, we earned approximately $2.0 million, $2.0 million and $6.3 million during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $1.3 million during the three months ended December 31, 2017. At September 30, 2015, September 30, 2016, September 30,

2017 and December 31, 2017, we had $3.0 million, $2.7 million, $5.3 million and $6.3 million, respectively, due from these companies reflected in contracts receivable.

FSC pays a consulting fee to Fred J. Smith, Jr. FSC paid Fred J. Smith, Jr. approximately $0.2 million during each of the fiscal years ended September 30, 2015, 2016 and 2017, and $42,600 during the three months ended December 31, 2017.

FSC rents vehicles from Fred Smith Company, an entity owned by Fred J. Smith, Jr. The vehicles are rented on a month-to-month basis. FSC paid the Fred Smith Company approximately $0.9 million, $1.4 million and $1.2 million during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $0.3 million during the three months ended December 31, 2017.

For corporate events, we charter a boat from Deep South Adventures, LLC, which is owned by Mr. Harper, our Senior Vice President. We paid Deep South Adventures, LLC approximately $0.4 million, $0.4 million and $0.3 million during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $33,000 during the three months ended December 31, 2017.

Harper Law Firm, LLC ("Harper Law Firm"), a law firm owned by the wife of Mr. Harper, provides legal services to WCC. For this legal work, WCC paid Harper Law Firm approximately $0.2 million, $0.3 million and $0.3 million during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $58,265 during the three months ended December 31, 2017.

On June 1, 2014, Construction Partners Holdings entered into an access agreement with Island Pond Corporate Services, LLC ("Island Pond") regarding certain property owned by affiliates of Ned N. Fleming, III, one of our founders and the Executive Chairman of the Board of Directors as well as Managing Partner of SunTx. Pursuant to the agreement, Island Pond grants Construction Partners Holdings the non-exclusive right to use that certain land located in Baker County, Georgia for the purposes of business development. Pursuant to the terms of the agreement, Construction Partners Holdings paid Island Pond approximately $0.3 million during each of the fiscal years ended September 30, 2015, 2016 and 2017, and $80,000 during the three months ended December 31, 2017.

WCC leases office space for the Dothan, Alabama office from H&K, Ltd., an entity partly owned by Mr. Harper. Mr. Harper is the general partner of H&K, Ltd. The office space is leased through January 1, 2020. Under the lease agreement, WCC pays a fixed minimum rent of $7,000 per month. Pursuant to the terms of the lease agreement, WCC paid H&K, Ltd. approximately $0.1 million during each of the fiscal years ended September 30, 2015, 2016 and 2017, and $21,000 during the three months ended December 31, 2017.

Since 2004, WCC has employed Brandon Owens, the son of Mr. Owens, one of our founders and our President and Chief Executive Officer. Pursuant to the employment arrangement, Brandon Owens is the Vice President of Operations at WCC. Under the employment arrangement, WCC paid Brandon Owens $254,461, $298,461 and $337,538 during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $174,250 during the three months ended December 31, 2017.

Since April 2015, we have employed Nelson Fleming, the son of Mr. Fleming, III. Pursuant to the employment arrangement, Nelson Fleming serves as our Director of Acquisition and Strategy Development. In connection with his employment, we paid Nelson Fleming $27,628, $70,619 and $95,750 during the fiscal years ended September 30, 2015, 2016 and 2017, respectively, and $76,250 for the three months ended December 31, 2017. Additionally, on August 22, 2016, Nelson Fleming was granted options to purchase 1,050 shares of our common

stock at an exercise price per share of $85.00, which options he has exercised in full. On February 23, 2018, Nelson Fleming was granted 1,400 restricted shares of our common stock under the 2016 Plan, 700 of which vested on the date of grant and 700 of which will vest on July 1, 2018. The foregoing information regarding Nelson Fleming's stock options does not give effect to the Reclassification.

WCC leases office space for its Montgomery, Alabama office from H&A Properties LLC, an entity owned by Mr. Harper and Mr. Armstrong, two of our Senior Vice Presidents. The office space is leased through early 2020. Under the lease agreement, WCC pays a fixed minimum rent of $5,500 per month. Pursuant to the terms of the lease agreement, WCC paid H&A Properties LLC approximately $0.1 million during each of the fiscal years ended September 30, 2015, 2016 and 2017, and $16,500 during the three months ended December 31, 2017.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth information at , 2018 with respect to the beneficial ownership of our Class A common stock and our Class B common stock (i) immediately prior to this offering (after giving effect to the Reclassification) and (ii) as adjusted to reflect the sale of shares of our Class A common stock in this offering, in each case by:

- the selling stockholders;
- each stockholder known by us to be the beneficial owner of more than 5% of the outstanding shares of our Class A common stock or our Class B common stock;
- each of our directors;
- each of our Named Executive Officers; and
- all of our directors and executive officers as a group.

We have determined beneficial ownership in accordance with the rules of the SEC. Except as indicated in the footnotes below, we believe, based on the information furnished to us, that the persons and entities named in the table below have sole voting and investment power with respect to all shares of our Class A common stock or our Class B common stock that they beneficially own. Except as indicated in the footnotes below, based on the information furnished to us by or on behalf of the selling stockholders, no selling stockholder is a broker-dealer or an affiliate thereof.

Applicable percentage ownership is based on shares of our Class A common stock and shares of our Class B common stock outstanding at , 2018 (after giving effect to the Reclassification). Beneficial ownership as reported in the table below has been determined in accordance with Rule 13d-3 under the Exchange Act. In computing the number of shares beneficially owned by a person or entity and the percentage ownership of that person or entity, we deemed to be outstanding all shares of our Class A common stock and our Class B common stock subject to options held by that person or entity that are currently exercisable or that will become exercisable within 60 days of , 2018. Unless otherwise indicated in the footnotes below, the address of each beneficial owner listed in the table below is c/o Construction Partners, Inc., 290 Healthwest Drive, Suite 2, Dothan, Alabama 36303.

	Shares Beneficially Owned Prior to this Offering				% of Total Voting Power Before this Offering	Number of Shares Being Offered	Shares Beneficially Owned After this Offering				% of Total Voting Power After this Offering
	Class A		Class B				Class A		Class B		
Name of Beneficial Owner	Shares	%	Shares(1)	%			Shares	%	Shares	%	
Selling Stockholders and other 5% Stockholders											
SunTx CPI Expansion Fund, L.P.											
SunTx Fulcrum Fund Prime, L.P.											
SunTx Fulcrum Dutch Investors Prime, L.P.											
Grace, Ltd.											
Directors and Named Executive Officers											
Ned N. Fleming, III											
Craig Jennings											
Mark R. Matteson											
Michael H. McKay											
Stefan L. Shaffer											
Charles E. Owens											
R. Alan Palmer											
F. Julius Smith, III											
Directors and Executive Officers as a Group (12 persons)	—	—					—	—	—		

* Represents less than 1%.

Name of Beneficial Owner	Number of Additional Shares to be Sold if the Underwriters' Option is Exercised in Full	Shares Beneficially Owned After this Offering if the Underwriters' Option is Exercised in Full				% of Total Voting Power After Our Initial Public Offering[1]
		Class A		Class B		
		Shares	%	Shares	%	
Selling Stockholders and other 5% Stockholders						
SunTx CPI Expansion Fund, L.P.						
SunTx Fulcrum Fund Prime, L.P.						
SunTx Fulcrum Dutch Investors Prime, L.P.						
Grace, Ltd.						
Directors and Named Executive Officers						
Ned N. Fleming, III						
Craig Jennings						
Mark R. Matteson						
Michael H. McKay						
Stefan L. Shaffer						
Charles E. Owens						
R. Alan Palmer						
F. Julius Smith, III						
Directors and Executive Officers as a Group (12 persons)						

* Represents less than 1%.

Each of the selling stockholders in this offering is deemed to be an underwriter within the meaning of Section 2(a)(11) of the Securities Act.

DESCRIPTION OF OUR CAPITAL STOCK

The following is a description of the material terms of, and is qualified in its entirety by, our amended and restated certificate of incorporation and our amended and restated bylaws, each of which will become effective immediately prior to the completion of this offering. Our amended and restated certificate of incorporation and amended and restated bylaws will be approved prior to this offering by our existing stockholders. Copies of these documents will be filed with the SEC as exhibits to the registration statement of which this prospectus is a part. The description of our capital stock reflects changes to our capital structure that will occur upon the completion of this offering.

Upon the completion of this offering, our authorized capital stock will consist of shares of our Class A common stock, par value $0.001 per share, shares of our Class B common stock, par value $0.001 per share and shares of undesignated preferred stock, par value $0.001 per share. No shares of undesignated preferred stock will be issued or outstanding immediately after the completion of this offering. Unless our board of directors determines otherwise, we will issue all shares of our capital stock in uncertificated form.

Common Stock

Our amended and restated certificate of incorporation will provide for a dual class common stock structure consisting of our Class A common stock and our Class B common stock. Shares of our Class A common stock and our Class B common stock are identical in all respects, except with respect to voting rights, conversion rights and transfer restrictions applicable to shares of our Class B common stock, as described below.

Voting Rights

The holders of our Class A common stock will be entitled to one vote per share, and the holders of our Class B common stock will be entitled to votes per share. The holders of our Class A common stock and our Class B common stock will vote together as a single class on all matters submitted to a vote of stockholders, including the election of directors, unless otherwise required by applicable law, our amended and restated certificate of incorporation or our amended and restated bylaws. For example, our amended and restated certificate of incorporation will provide that certain amendments thereto affecting the voting power of our Class B common stock require the affirmative vote or written consent of a majority of the holders of the then outstanding shares of our Class B common stock, voting as a separate class. Furthermore, the DGCL requires holders of our Class A common stock or our Class B common stock, as the case may be, to vote separately as a single class if we were to seek to amend our amended and restated certificate of incorporation:

- to increase or decrease the par value of that class; or
- in a manner that alters or changes the powers, preferences or special rights of that class in a manner that would adversely affect its holders.

The holders of each class of our common stock do not have cumulative voting rights in the election of directors.

Dividend Rights

Holders of our Class A common stock and our Class B common stock will be entitled to receive dividends at the same rate if, as and when declared by our board of directors, out of our legally available assets, in cash, property, shares of our common stock or other securities, after the payment of dividends required to be paid on our outstanding preferred stock, if any. See "—Dividends."

If we pay a dividend or distribution on our Class A common stock, payable in shares of our Class A common stock, we will also be required to pay a pro rata and simultaneous dividend or distribution on our Class B common stock,

payable in shares of our Class B common stock. Similarly, if we pay a dividend or distribution on our Class B common stock, payable in shares of our Class B common stock, we will also be required to make a pro rata and simultaneous dividend or distribution on our Class A common stock, payable in shares of our Class A common stock.

The Compass Credit Agreement imposes restrictions on our ability to declare a cash dividend on our common stock, unless, after giving effect to such dividend, we would be in compliance with the financial covenants therein and at the time any such dividend is made, no default or event of default exists or would result from the payment of such dividend. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources."

Distributions in Connection with Mergers or Other Business Combinations

Upon a merger, consolidation or substantially similar transaction, holders of each class of our common stock are entitled to receive equal per share payments or distributions, except that: (i) in any transaction in which shares of our capital stock are distributed, such shares distributed to the holder of a share of our Class B common stock may have times the voting power of any shares distributed to the holder of a share of our Class A common stock; and (ii) shares of one class of our common stock may receive disproportionate distributions or payments if such merger, consolidation or similar transaction is approved by the affirmative vote (or written consent) of the holders of a majority of the outstanding shares of our Class A common stock and our Class B common stock, each voting as a separate class.

Liquidation Rights

Upon our liquidation, dissolution or winding up or upon a sale or disposition of all or substantially all of our assets, the assets legally available for distribution to our stockholders will be distributable ratably among the holders of our Class A common stock and our Class B common stock treated as a single class, subject to the prior satisfaction of all outstanding debts and other liabilities and the preferential rights and liquidation preferences to be paid on our outstanding preferred stock, if any.

Conversion and Restrictions on Transfer

Our Class A common stock will not be convertible into any other shares of our capital stock. Shares of our Class B common stock will be convertible at any time as follows: (i) at the option of the holder thereof, a share of our Class B common stock may be converted into one share of our Class A common stock; or (ii) upon the election of the holders of a majority of the then-outstanding shares of our Class B common stock, all outstanding shares of our Class B common stock will be converted into shares of our Class A common stock. In addition, each share of our Class B common stock will convert automatically into one share of our Class A common stock upon any transfer, whether or not for value, except for certain transfers that will be described in our amended and restated certificate of incorporation, including transfers to SunTx and its affiliates, transfers that have been consented to in writing in advance by the holders of a majority of the shares of our Class B common stock then held by SunTx and its affiliates, and certain transfers to trusts or for estate planning purposes. Once converted into shares of our Class A common stock, shares of our Class B common stock will not be reissued.

Protective Provision

Our amended and restated certificate of incorporation will provide that we will not, whether by merger, consolidation or otherwise, amend, alter, repeal or waive certain provisions of our amended and restated certificate of incorporation, or adopt any provision inconsistent therewith or effect any reclassification of the shares

of our Class A common stock or our Class B common stock, unless such action is first approved by the affirmative vote or written consent of the holders of a majority of the then-outstanding shares of our Class B common stock, voting as a separate class, and, to the fullest extent permitted by law, the holders of our Class A common stock will have no right to vote thereon. However, this provision is subject to any other vote required by applicable law, and under Section 242(b)(2) of the DGCL, holders of our Class A common stock would be entitled to vote as a class upon a proposed action, whether or not entitled to vote by our amended and restated certificate of incorporation, if such action would increase or decrease the par value of our Class A common stock, or alter or change the powers, preferences or special rights thereof so as to affect them adversely.

Other Matters

Our amended and restated certificate of incorporation will not entitle holders of either class of our common stock to preemptive rights. No redemption or sinking fund provisions are applicable to either class of our common stock. Neither class of our common stock may be subdivided or combined in any manner unless the other class of our common stock is subdivided or combined in the same proportion. All outstanding shares of each class of our common stock are, and the shares of our Class A common stock to be sold in this offering will be, fully paid and non-assessable.

Preferred Stock

Our amended and restated certificate of incorporation will authorize our board of directors to establish one or more series of preferred stock. Unless required by law or by any rules adopted by The Nasdaq Stock Market LLC, these authorized shares of preferred stock will be available for issuance without further action by our stockholders. Our board of directors is able to determine, with respect to any series of preferred stock, the terms and rights of such series, including:

- the number of shares constituting such series and the distinctive designation thereof;
- the dividend rate(s) on the shares of such series, the terms and conditions upon which and the periods in respect of which dividends shall be payable, whether dividends shall be cumulative, and, if so, from which date(s), and the relative rights of priority, if any, of payment of dividends on shares of such series;
- whether such series shall have voting rights, in addition to the voting rights provided by law, and, if so, the terms thereof;
- whether such series shall have conversion privileges, and, if so, the terms and conditions thereof, including provision for adjustment of the conversion rate in such events as our board of directors shall determine;
- whether or not the shares of such series shall be redeemable, and, if so, the terms and conditions thereof, including the date(s) upon or after which they shall be redeemable, and the amount per share payable in the event of redemption, which amount may vary under different conditions and at different redemption dates;
- whether such series shall have a sinking fund for the redemption or purchase of shares of such series, and, if so, the terms and amount thereof;
- the rights of the shares of such series in the event of our voluntary or involuntary liquidation, distribution of assets, dissolution or winding up, and the relative rights of priority, if any, of payment of shares of such series; and
- any other relative rights, powers and preferences, and the qualifications, limitations and restrictions thereof, of such series.

We could issue a series of preferred stock that, depending on its terms, may impede or discourage an acquisition attempt or other transaction that some, or a majority, of our stockholders might believe to be in their best interests or in which you might receive a premium over the market price for your shares of our Class A common stock. Additionally, the issuance of preferred stock may adversely affect the holders of our Class A common stock by restricting dividends on our Class A common stock, diluting the voting power of our Class A common stock or subordinating the liquidation rights of our Class A common stock. As a result of these or other factors, the issuance of preferred stock could have an adverse impact on the market price of our Class A common stock.

Dividends

The DGCL permits a corporation to declare and pay dividends out of "surplus" or, if there is no "surplus," out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. "Surplus" is defined as the excess of a corporation's net assets over the amount determined to be a corporation's capital by its board of directors. The capital of a corporation is typically calculated to be, and cannot be less than, the aggregate par value of all issued shares of capital stock. Net assets equals the fair value of the total assets minus total liabilities. The DGCL also provides that a dividend may not be paid out of net profits if, after the payment of such dividend, capital is less than the capital represented by the outstanding stock of all classes having a preference upon the distribution of assets.

The declaration and payment of any dividend will be subject to the discretion of our board of directors. The time and amount of any dividend will be dependent upon our financial condition, operations, cash requirements and availability, debt repayment obligations, capital expenditure needs, restrictions in our debt instruments, industry trends, the provisions of Delaware law affecting the payment of dividends to stockholders and any other factors our board of directors may consider relevant.

We currently intend to retain all available funds and any future earnings for use in the operation and expansion of our business and do not anticipate declaring or paying any cash dividends in the foreseeable future. See "Dividend Policy."

Related Party Transactions and Corporate Opportunities

Subject to the limitations of applicable law, our amended and restated certificate of incorporation, among other things, will:

- permit us to enter into transactions with entities in which one or more of our officers or directors are financially or otherwise interested so long as it has been approved by our board of directors;
- permit any of our stockholders, officers or directors to conduct business that competes with us and to make investments in any kind of property in which we may make investments; and
- provide that if any director or officer of one of our affiliates who is also one of our officers or directors becomes aware of a potential business opportunity, transaction or other matter, other than one expressly offered to that director or officer in writing solely in his or her capacity as our director or officer, that director or officer will have no duty to communicate or offer that opportunity to us, and will be permitted to communicate or offer that opportunity to such affiliates and that director or officer will not be deemed to have (i) acted in a manner inconsistent with his or her fiduciary or other duties to us regarding the opportunity or (ii) acted in bad faith or in a manner inconsistent with our best interests.

Anti-takeover Effects of Provisions of Delaware Law, Our Amended and Restated Certificate of Incorporation and Our Amended and Restated Bylaws

Our amended and restated certificate of incorporation and our amended and restated bylaws will, and the DGCL does, contain provisions that are intended to enhance the likelihood of continuity and stability in the composition of our board of directors. These provisions are intended to avoid costly takeover battles, reduce our vulnerability to a hostile change of control and enhance the ability of our board of directors to maximize stockholder value in connection with any unsolicited offer to acquire us. However, these provisions may have an anti-takeover effect and may delay, deter or prevent a merger or acquisition of our Company by means of a tender offer, a proxy contest or other takeover attempt that some, or a majority, of our stockholders might believe to be in their best interests, including those attempts that might result in a premium over the prevailing market price for the shares of our Class A common stock held by stockholders.

Dual Class Structure

As described in "—Common Stock—Voting Rights," our amended and restated certificate of incorporation will provide for a dual class common stock structure under which each share of our Class A common stock will have one vote per share and each share of our Class B common stock will have votes per share. Because of this dual class structure, certain of our stockholders will be able to control all matters submitted to our stockholders for approval, even if they own significantly less than 50% of the aggregate number of shares of all classes of our outstanding common stock. This concentrated control could discourage others from initiating a potential merger, takeover or other change of control transaction that other stockholders may view as being in their best interests.

Authorized but Unissued Capital Stock

Delaware law does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of The Nasdaq Stock Market LLC, which would apply if and so long as our Class A common stock remains listed thereon, require stockholder approval of certain issuances equal to or exceeding 20% of the then outstanding voting power or then outstanding number of shares of our Class A common stock. These additional shares may be used for a variety of corporate purposes, including to raise additional capital or to facilitate acquisitions.

Our board of directors may generally issue shares of preferred stock on terms calculated to discourage, delay or prevent a change of control of our Company or the removal of our management. Moreover, our authorized but unissued shares of preferred stock may be available for future issuances without stockholder approval and could be utilized for a variety of corporate purposes, including future offerings to raise additional capital or to facilitate acquisitions.

One of the effects of the existence of unissued and unreserved shares of our Class A common stock, Class B common stock or preferred stock may be to enable our board of directors to issue such shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of our Company by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive stockholders of opportunities to sell their shares of our Class A common stock at prices higher than prevailing market prices.

Classified Board

Our amended and restated certificate of incorporation will provide that our board of directors will be divided into three classes, with the classes to be as nearly equal in number as possible, and with the directors serving three-year terms. As a result, approximately one-third of our board of directors will be elected each year. This classification of directors will make it more difficult for stockholders to change the composition of our board of directors. Our amended and restated certificate of incorporation and our amended and restated bylaws will provide that, subject to any rights of holders of preferred stock, if any, to elect additional directors under specified circumstances, the number of directors will be fixed from time to time exclusively pursuant to a resolution adopted by our board of directors.

Business Combinations

While we have opted out of Section 203 of the DGCL, our amended and restated certificate of incorporation will contain similar provisions providing that we may not engage in certain "business combinations" with any "interested stockholder" for a three-year period following the time that such stockholder became an interested stockholder, unless:

- prior to such time, our board of directors approved either the business combination or the transaction which resulted in such stockholder becoming an interested stockholder;
- upon consummation of the transaction that resulted in such stockholder becoming an interested stockholder, such stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, excluding certain shares; or
- at or subsequent to such time, the business combination is approved by our board of directors and by the affirmative vote of holders of at least 66 2/3% of our outstanding voting stock that is not owned by such stockholder.

Generally, a "business combination" includes a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. Subject to certain exceptions, an "interested stockholder" is a person who, together with his, her or its affiliates and associates, owns, or within the previous three years owned, 15% or more of our voting stock. For purposes of this section only, "voting stock" means stock of any class or series entitled to vote generally in the election of directors.

Under certain circumstances, this provision will make it more difficult for a person who would be an interested stockholder to effect various business combinations with our Company for a three-year period. This provision may encourage companies interested in acquiring our Company to negotiate in advance with our board of directors because the stockholder approval requirement would be avoided if our board of directors approves either the business combination or the transaction which results in the stockholder becoming an interested stockholder. These provisions also may have the effect of preventing changes in our board of directors and may make it more difficult to accomplish transactions which stockholders may otherwise deem to be in their best interests.

Our amended and restated certificate of incorporation will provide that SunTx and its affiliates, any of their respective direct or indirect transferees and any group as to which such persons are a party do not constitute interested stockholders for purposes of this provision.

Removal of Directors; Vacancies

Under the DGCL, unless otherwise provided in a corporation's certificate of incorporation, directors serving on a classified board may be removed by stockholders only for cause. Our amended and restated certificate of incorporation will provide that directors may be removed with or without cause upon the affirmative vote of a majority in voting power of all then-outstanding shares of stock entitled to vote thereon, voting together as a single class; provided, however, that once no shares of our Class B common stock remain outstanding, directors may only be removed for cause, and then only by the affirmative vote of holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock entitled to vote thereon, voting together as a single class. In addition, our amended and restated certificate of incorporation will provide that, subject to the rights granted to one or more series of preferred stock then outstanding, if any, any vacancies on our board of directors will be filled only by the affirmative vote of a majority of the remaining directors, even if less than a quorum, by a sole remaining director or by the stockholders; provided, however, that once no shares of our Class B common stock remain outstanding, any newly created directorship on our board of directors that results from an increase in the number of directors and any vacancy occurring on our board of directors may only be filled by a majority of the directors then in office, even if less than a quorum, or by a sole remaining director and not by stockholders.

No Cumulative Voting

Under Delaware law, the right to vote cumulatively does not exist unless a corporation's certificate of incorporation specifically authorizes cumulative voting. Our amended and restated certificate of incorporation will not authorize cumulative voting. Therefore, stockholders holding a majority in voting power of the shares of our stock entitled to vote generally in the election of directors will be able to elect all our directors.

Special Stockholder Meetings

Our amended and restated certificate of incorporation will provide that special meetings of our stockholders may be called at any time only by or at the direction of our board of directors, the Executive Chairman of the Board of Directors or our Chief Executive Officer; provided, however, that special meetings of our stockholders shall also be called by our board of directors, the Executive Chairman of the Board of Directors or our Chief Executive Officer at the request of the holders of 25% of our Class B common stock. Our amended and restated bylaws will prohibit the conduct of any business at a special meeting other than as specified in the notice for such meeting. These provisions may have the effect of deterring, delaying or discouraging hostile takeovers, or changes in control or management of our Company.

Requirements for Advance Notification of Director Nominations and Stockholder Proposals

Our amended and restated bylaws will establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of our board of directors or a committee thereof. In order for any matter to be "properly brought" before a meeting, a stockholder will have to comply with advance notice requirements and provide us with certain information. Generally, to be timely, a stockholder's notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary date of the immediately preceding annual meeting of stockholders. Our amended and restated bylaws will also specify requirements as to the form and content of a stockholder's notice. Our amended and restated bylaws will allow the chairman of the meeting at a meeting of the stockholders to adopt rules and regulations for the conduct of meetings that may have the effect of precluding the conduct of certain business at a meeting if such rules and regulations are not followed. These provisions may also deter, delay or discourage a potential acquirer from conducting a solicitation of proxies to elect his, her or its own slate of directors or otherwise attempting to influence or obtain control of our Company.

Stockholder Action by Written Consent

Pursuant to Section 228 of the DGCL, any action required to be taken at any annual or special meeting of stockholders may be taken without a meeting, without prior notice and without a vote, if a consent(s) in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock entitled to vote thereon were present and voted, unless such corporation's certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation will permit stockholder action by written consent until such time as no shares of our Class B common stock remain outstanding.

Supermajority Provisions

Our amended and restated certificate of incorporation and our amended and restated bylaws will provide that our board of directors is expressly authorized to make, alter, amend, change, add to, rescind or repeal, in whole or in part, our amended and restated bylaws without a stockholder vote in any matter. For as long as shares of our

Class B common stock remain outstanding, any alteration, amendment, change, addition, rescission or repeal of our amended and restated bylaws by our stockholders will require the affirmative vote of a majority in voting power of the outstanding shares of our stock present in person or represented by proxy and entitled to vote on such alteration, amendment, change, addition, rescission or repeal. Once no shares of our Class B common stock remain outstanding, any alteration, amendment, change, addition, rescission or repeal of our amended and restated bylaws by our stockholders will require the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of our stock entitled to vote thereon, voting together as a single class.

The DGCL provides generally that the affirmative vote of a majority of the outstanding shares entitled to vote thereon, voting together as a single class, is required to amend a corporation's certificate of incorporation, unless the certificate of incorporation requires a greater percentage. Our amended and restated certificate of incorporation will provide that once no shares of our Class B common stock remain outstanding, the following provisions of our amended and restated certificate of incorporation may be altered, amended, changed, added to, rescinded or repealed only by the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of our stock entitled to vote thereon, voting together as a single class:

- the provision requiring a 66 2/3% supermajority vote for stockholders to amend our amended and restated bylaws;
- the provisions providing for a classified board of directors;
- the provisions regarding the resignation and removal of directors;
- the provisions regarding competition and corporate opportunities;
- the provisions regarding entering into business combinations with interested stockholders;
- the provisions regarding stockholder action by written consent;
- the provisions regarding calling special meetings of stockholders;
- the provisions regarding the filling of vacancies on our board of directors and newly created directorships;
- the provisions eliminating monetary damages for breaches of fiduciary duties by a director; and
- the amendment provision requiring that the above provisions be amended only with a 66 2/3% supermajority vote.

The combination of the classification of our board of directors, the lack of cumulative voting and the supermajority voting requirements will make it more difficult for our existing stockholders to replace our board of directors, as well as for another party to obtain control of us by replacing our board of directors. Because our board of directors has the power to retain and discharge our officers, these provisions could also make it more difficult for existing stockholders or another party to effect a change in management.

These provisions may have the effect of deterring hostile takeovers, delaying or preventing changes in control of our management or our Company, such as a merger, reorganization or tender offer. These provisions are intended to enhance the likelihood of continued stability in the composition of our board of directors and its policies and to discourage certain types of transactions that may involve an actual or threatened acquisition of us. These provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal. The provisions are also intended to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and, as a consequence, they also may inhibit fluctuations in the market price of our shares that could result from actual or rumored takeover attempts. Such provisions may also have the effect of preventing changes in management.

Dissenters' Rights of Appraisal and Payment

Under the DGCL, with certain exceptions, our stockholders will have appraisal rights in connection with a merger or consolidation involving our Company. Pursuant to the DGCL, stockholders who properly request and perfect appraisal rights in connection with such merger or consolidation will have the right to receive payment of the fair value of their shares as determined by the Delaware Court of Chancery.

Stockholders' Derivative Actions

Under the DGCL, any of our stockholders may bring an action in our name to procure a judgment in our favor (a "derivative action"), provided that the stockholder bringing the action is a holder of our shares at the time of the transaction to which the action relates or such stockholder's stock thereafter devolved by operation of law.

Exclusive Forum

Our amended and restated certificate of incorporation will provide, subject to limited exceptions, that unless we consent to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for any: (i) derivative action or proceeding brought on behalf of our Company; (ii) action asserting a claim of breach of a fiduciary duty owed by any director, officer, or other employee or stockholder of our Company to our Company or our stockholders, creditors or other constituents; (iii) action asserting a claim against our Company or any director or officer of our Company arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws, or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware; or (iv) action asserting a claim against our Company or any director or officer of our Company governed by the internal affairs doctrine, in each such case subject to said Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to the forum provisions in our amended and restated certificate of incorporation. However, the enforceability of similar forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions unenforceable.

Conflicts of Interest

Delaware law permits corporations to adopt provisions renouncing any interest or expectancy in certain opportunities that are presented to the corporation or its officers, directors or stockholders. Our amended and restated certificate of incorporation will renounce, to the maximum extent permitted from time to time by Delaware law, any interest or expectancy that we have in, or right to be offered an opportunity to participate in, specified business opportunities that are from time to time presented to our officers, directors or stockholders or their respective affiliates, other than those officers, directors, stockholders or affiliates who are our or our subsidiaries' employees. Our amended and restated certificate of incorporation will provide that, to the fullest extent permitted by law, each of SunTx or any of its affiliates or any non-employee director or his or her affiliates will have no duty to refrain from (i) engaging in a corporate opportunity in the same or similar lines of business in which we or our affiliates now engage or propose to engage or (ii) otherwise competing with us or our affiliates. In addition, to the fullest extent permitted by law, in the event that SunTx or any non-employee director acquires knowledge of a potential transaction or other business opportunity that may be a corporate opportunity for itself, himself or herself or its, his or her affiliates or for us or our affiliates, such person will have no duty to communicate or offer such transaction or business opportunity to us or any of our affiliates and may take such opportunity for themselves or offer it to another person or entity. Our amended and restated certificate of incorporation will not renounce our interest in any business opportunity that is expressly offered to a non-employee director solely in his or her capacity as a director of our Company. To the fullest extent permitted by law, no business opportunity will be deemed to be a potential corporate opportunity for us unless we would be permitted to undertake the opportunity under our amended and restated certificate of incorporation, we have sufficient financial resources to undertake the opportunity and the opportunity would be in line with our business.

Limitations on Liability and Indemnification of Officers and Directors

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties, subject to certain exceptions. Our amended and restated certificate of incorporation will include a provision that eliminates the personal liability of our directors for monetary damages for any breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL. The effect of these provisions is to eliminate the rights of us and our stockholders, through stockholders' derivative suits on our behalf, to recover monetary damages from a director for the breach of a fiduciary duty as a director, including breaches resulting from grossly negligent behavior. However, exculpation does not apply to any director if such director has acted in bad faith, knowingly or intentionally violated the law, authorized illegal dividends or redemptions or derived an improper benefit from his or her actions as a director.

Our amended and restated bylaws will provide that we must generally indemnify, and advance expenses to, our directors and officers to the fullest extent authorized by the DGCL. We also are expressly authorized to carry directors' and officers' liability insurance providing indemnification for our directors, officers and certain employees for certain liabilities. We believe that these indemnification and advancement provisions and insurance are useful to attract and retain qualified directors and officers.

The limitation of liability, indemnification and advancement provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against directors for a breach of their fiduciary duties. These provisions also may have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. In addition, your investment may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

There is currently no pending material litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought.

Transfer Agent and Registrar

Continental Stock Transfer & Trust Company will be the transfer agent and registrar for each class of our common stock.

Listing

We intend to apply to list our Class A common stock on The Nasdaq Stock Market LLC under the symbol "ROAD." Our Class B common stock is not anticipated to be listed on any stock market or exchange.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our Class A common stock, and we cannot predict what effect, if any, market sales of shares of our Class A common stock or the availability of shares of our Class A common stock for sale will have on the market price of our Class A common stock prevailing from time to time. Nevertheless, sales of substantial amounts of our Class A common stock, including shares issued upon the exercise of outstanding options, in the public market, or the perception that such sales could occur, could materially and adversely affect the market price of our Class A common stock and could impair our future ability to raise capital through the sale of our equity or equity-related securities at a time and price that we deem appropriate. See "Risk Factors—Risks Related to this Offering and Ownership of Our Class A Common Stock—Future sales, or the perception of future sales, by us or our existing stockholders in the public market following the completion of this offering could cause the market price for our Class A common stock to decline."

Sale of Restricted Shares

Upon the completion of this offering, there will be outstanding a total of shares of our Class B common stock that are convertible by the holders thereof at any time into an equal number of shares of our Class A common stock. Of the outstanding shares of our Class A common stock, the shares of our Class A common stock sold in this offering (or shares if the underwriters' option to purchase additional shares is exercised in full) will be freely tradable without registration under the Securities Act and without restriction by persons other than our "affiliates" (as defined under Rule 144). In addition, options to purchase an aggregate of approximately shares of our Class B common stock will be outstanding as of the completion of this offering. The shares of our Class B common stock held by SunTx and its affiliates, certain of our directors and officers and other existing stockholders upon the completion of this offering, which generally convert into an equal number of shares of our Class A common stock upon sale or transfer, will be "restricted" securities under the meaning of Rule 144 and may not be sold in the absence of registration under the Securities Act, unless an exemption from registration is available, including the exemptions pursuant to Rule 144 and Rule 701 under the Securities Act ("Rule 701"). In addition, shares of our Class A common stock will be authorized and reserved for issuance in relation to potential future awards under the Restated Plan to be adopted in connection with this offering.

The restricted shares of our common stock held by our affiliates will be available for sale in the public market as follows:

- shares will be eligible for sale at various times after the date hereof pursuant to Rule 144; and
- shares subject to the lock-up agreements described below will be eligible for sale at various times beginning 180 days after the date hereof pursuant to Rule 144.

Rule 144

In general, under Rule 144 as currently in effect, persons who became the beneficial owner of shares of our Class A common stock prior to the completion of this offering may sell their shares upon the earlier of (i) the expiration of a six-month holding period, if we have been subject to the reporting requirements of the Exchange Act for at least 90 days prior to the date of the sale and have filed all reports required thereunder or (ii) the expiration of a one-year holding period.

At the expiration of the six-month holding period (assuming we have been subject to the reporting requirements of the Exchange Act for at least 90 days and have filed all reports required thereunder), a person who was not one of our affiliates at any time during the three months preceding a sale would be entitled to sell an unlimited number of

shares of our Class A common stock, and a person who was one of our affiliates at any time during the three months preceding a sale would be entitled to sell, within any three-month period, a number of shares of our Class A common stock that does not exceed the greater of either of the following:

- 1% of the number of shares of our Class A common stock then outstanding, which will equal approximately shares immediately after the completion of this offering; or
- the average weekly trading volume of our Class A common stock on The Nasdaq Stock Market LLC during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

At the expiration of the one-year holding period, a person who was not one of our affiliates at any time during the three months preceding a sale would be entitled to sell an unlimited number of shares of our Class A common stock without restriction. A person who was one of our affiliates at any time during the three months preceding a sale would remain subject to the volume restrictions described above.

Sales under Rule 144 by our affiliates are also subject to manner of sale provisions and notice requirements and to the availability of current public information about us.

Rule 701

In general, under Rule 701, any of our employees, directors, officers, consultants or advisors who purchased shares of our common stock from us in connection with a compensatory stock or option plan or other written agreement before the completion of this offering, or who purchased shares of our Class A common stock from us after the completion of this offering upon the exercise of options granted before the completion of this offering, are eligible to resell such shares in reliance upon Rule 144 beginning 90 days after the date hereof. If such person is not an affiliate, the sale may be made subject only to the manner of sale restrictions of Rule 144. If such a person is one of our affiliates, the sale may be made under Rule 144 without compliance with its one-year minimum holding period, but subject to the other Rule 144 restrictions.

Registration Rights

Pursuant to the Registration Rights Agreement, the holders of shares of our Class B common stock (representing approximately % of our total outstanding Class A and Class B common stock outstanding immediately after the completion of this offering), or their transferees, are entitled to various rights with respect to the registration of these shares under the Securities Act. These shares would become fully tradable without restriction under the Securities Act immediately after they are sold under an effective registration statement, except for shares held by our affiliates that may be subject to resale under Rule 144. Shares covered by a registration statement will be eligible for sales in the public market upon the expiration or release from the terms of the lock-up agreements.

Pursuant to the Registration Rights Agreement, we have granted certain affiliates of SunTx and other stockholders the right to cause us, in certain instances, at our expense, to file registration statements under the Securities Act covering resales of any class of our common stock held by them. Following completion of this offering, the shares covered by registration rights would represent approximately % of our total outstanding Class A and Class B common stock (or %, if the underwriters' option to purchase additional shares is exercised in full). These shares also may be sold under Rule 144, depending on their holding period and subject to restrictions in the case of shares held by persons deemed to be our affiliates.

For a description of rights some holders of common stock have to require us to register the shares of common stock they own, see "Certain Relationships and Related Party Transactions—Ongoing and Historical Transactions with Related Parties—Registration Rights Agreement."

Registration Statement on Form S-8

We intend to file one or more registration statements on Form S-8 under the Securities Act to register shares of our Class A common stock subject to stock options current outstanding and shares of our Class A common stock that are reserved for issuance under the Restated Plan. The first such registration statement is expected to be filed soon after the consummation of this offering and will automatically become effective upon filing with the SEC. Accordingly, shares registered under such registration statement will be available for sale in the open market following the effective date, unless such shares are subject to vesting restrictions with us, Rule 144 restrictions applicable to our affiliates or the lock-up restrictions described below.

Lock-Up Agreements

We, the selling stockholders and each of our directors and executive officers and holders of substantially all of our common stock have agreed that, without the prior written consent of the underwriters in this offering, we and they will not, directly or indirectly, for a period of 180 days after the date hereof this, offer, pledge, sell, contract to sell or otherwise transfer or dispose of any shares of our Class A common stock (other than the shares of our Class A common stock sold in this offering) or any other securities convertible into or exercisable or exchangeable for shares of our Class A common stock (subject to certain exceptions). See “Underwriting.”

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES FOR NON-U.S. HOLDERS

The following is a summary of the material U.S. federal income tax considerations related to the purchase, ownership and disposition of our Class A common stock by a non-U.S. holder (as defined below) who holds our Class A common stock as a "capital asset" (generally property held for investment). This summary is based on the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), U.S. Treasury regulations, administrative rulings and judicial decisions, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. We have not sought any ruling from the Internal Revenue Service (the "IRS") with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to non-U.S. holders in light of their personal circumstances. In addition, this summary does not address the Medicare tax on certain investment income, U.S. federal gift or estate tax laws, any state, local or non-U.S. tax laws or any tax treaties. This summary also does not address tax considerations applicable to investors that may be subject to special treatment under the U.S. federal income tax laws, such as (without limitation):

- banks, insurance companies or other financial institutions;
- tax-exempt or governmental organizations;
- qualified foreign pension funds (or any entities all of the interests of which are held by a qualified foreign pension fund);
- dealers in securities or foreign currencies;
- traders in securities that use themark-to-market method of accounting for U.S. federal income tax purposes;
- persons subject to the alternative minimum tax;
- partnerships or other pass-through entities for U.S. federal income tax purposes or holders of interests therein;
- persons deemed to sell our Class A common stock under the constructive sale provisions of the Code;
- persons that acquired our Class A common stock through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan;
- certain former citizens or residents of the United States;
- real estate investment trusts or regulated investment companies; and
- persons that hold our Class A common stock as part of a straddle, synthetic security, hedge, conversion transaction or other integrated investment or risk reduction transaction.

PROSPECTIVE INVESTORS ARE ENCOURAGED TO CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATION, AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR CLASS A COMMON STOCK ARISING UNDER THE U.S. FEDERAL GIFT OR ESTATE TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL, NON-U.S. OR OTHER TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.

Non-U.S. Holder Defined

For purposes of this discussion, a "non-U.S. holder" is a beneficial owner of our Class A common stock that is not for U.S. federal income tax purposes a partnership or any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or

- a trust (i) the administration of which is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (ii) which has made a valid election under applicable U.S. Treasury regulations to be treated as a U.S. person.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our Class A common stock, the tax treatment of a partner in the partnership generally will depend upon the status of the partner, upon the activities of the partnership and upon certain determinations made at the partner level. Accordingly, we urge partners in partnerships (including entities or arrangements treated as partnerships for U.S. federal income tax purposes) considering the purchase of our Class A common stock to consult their tax advisors regarding the U.S. federal income tax considerations of the purchase, ownership and disposition of our Class A common stock by such partnership.

Distributions on our Class A Common Stock

We do not plan to make any distributions on our Class A common stock for the foreseeable future. However, in the event we do make distributions of cash or property on our Class A common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed our current and accumulated earnings and profits, the distributions will be treated as a non-taxable return of capital to the extent of the non-U.S. holder's tax basis in our Class A common stock and thereafter as capital gain from the sale or exchange of such Class A common stock. See "—Gain on Disposition of our Class A Common Stock." Subject to the discussion below under "—Additional Withholding Requirements under FATCA," dividends paid to a non-U.S. holder with respect to our Class A common stock that are not effectively connected with the non-U.S. holder's conduct of a trade or business within the United States generally will be subject to U.S. withholding tax at a rate of 30% unless an applicable income tax treaty provides for a lower rate. To receive the benefit of a reduced treaty rate, a non-U.S. holder must provide the applicable withholding agent with an IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form) certifying qualification for the reduced rate.

Dividends paid to a non-U.S. holder that are effectively connected with the non-U.S. holder's conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, are treated as attributable to a permanent establishment maintained by the non-U.S. holder in the United States) generally will be taxed on a net income basis at the rates and in the manner generally applicable to U.S. persons (as defined under the Code). Such effectively connected dividends will not be subject to U.S. withholding tax if the non-U.S. holder satisfies certain certification requirements by providing the applicable withholding agent a properly executed IRS Form W-8ECI certifying eligibility for exemption. If the non-U.S. holder is a non-U.S. corporation, it may also be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items), which will include effectively connected dividends.

Gain on Disposition of our Class A Common Stock

Subject to the discussion below under "—Additional Withholding Requirements under FATCA," a non-U.S. holder generally will not be subject to U.S. federal income tax or withholding tax on any gain realized upon the sale or other disposition of our Class A common stock unless:

- the non-U.S. holder is an individual who is present in the U.S. for a period or periods aggregating 183 days or more during the calendar year in which the sale or disposition occurs and certain other conditions are met;
- the gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States); or

- our Class A common stock constitutes a U.S. real property interest by reason of our status as a U.S. real property holding corporation ("USRPHC") for U.S. federal income tax purposes.

A non-U.S. holder described in the first bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate as specified by an applicable income tax treaty) on the amount of such gain, which generally may be offset by U.S. source capital losses.

A non-U.S. holder whose gain is described in the second bullet point above generally will be taxed on a net income basis at the rates and in the manner generally applicable to U.S. persons (as defined under the Code) unless an applicable income tax treaty provides otherwise. If the non-U.S. holder is a corporation, it may also be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items).

With respect to the third bullet, we believe that we have not been, are not currently, and do not anticipate becoming in the future, a USRPHC for U.S. federal income tax purposes, and the remainder of this discussion so assumes. Generally, a corporation is a USRPHC if the fair market value of its U.S. real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business. Because the determination of whether we are a USRPHC depends on the fair market value of our U.S. real property relative to the fair market value of our other business assets, there can be no assurance that we will not become a USRPHC in the future. Even if we are or become a USRPHC, a non-U.S. holder would not be subject to U.S. federal income tax on a sale, exchange or other taxable disposition of shares of our Class A common stock by reason of our status as a USRPHC so long as (i) our Class A common stock is regularly traded on an established securities market during the calendar year in which such sale, exchange or other taxable disposition of shares of our Class A common stock occurs and (ii) such non-U.S. holder does not own and is not deemed to own (directly, indirectly or constructively) more than 5% of our Class A common stock at any time during the relevant period. Non-U.S. holders should consult their tax advisors with respect to the application of the foregoing rules to their ownership and disposition of our Class A common stock.

Backup Withholding and Information Reporting

Any dividends paid to a non-U.S. holder must be reported annually to the IRS and to the non-U.S. holder. Copies of these information returns may be made available to the tax authorities in the country in which the non-U.S. holder resides or is established. Payments of dividends to a non-U.S. holder generally will not be subject to backup withholding if the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN, IRS Form W-8BEN-E or other appropriate version of IRS Form W-8.

Payments of the proceeds from a sale or other disposition by a non-U.S. holder of our Class A common stock effected by or through a U.S. office of a broker generally will be subject to information reporting and backup withholding (at the applicable rate) unless the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN, IRS Form W-8BEN-E or other appropriate version of IRS Form W-8 and certain other conditions are met. Information reporting and backup withholding generally will not apply to any payment of the proceeds from a sale or other disposition of our Class A common stock effected outside the United States by a non-U.S. office of a broker. However, unless such broker has documentary evidence in its records that the holder is not a U.S. person and certain other conditions are met, or the non-U.S. holder otherwise establishes an exemption, information reporting will apply to a payment of the proceeds of the disposition of our Class A common stock effected outside the United States by such a broker if it has certain relationships within the United States.

Backup withholding is not an additional tax. Rather, the U.S. income tax liability (if any) of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained, provided that the required information is timely furnished to the IRS.

Additional Withholding Requirements under FATCA

Sections 1471 through 1474 of the Code, and the Treasury regulations and administrative guidance issued thereunder ("FATCA"), impose a 30% withholding tax on any dividends paid on our Class A common stock and on the gross proceeds from a disposition of our Class A common stock (if such disposition occurs after December 31, 2018), in each case if paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code) (including, in some cases, when such foreign financial institution or non-financial foreign entity is acting as an intermediary), unless (i) in the case of a foreign financial institution, such institution enters into an agreement with the U.S. government to withhold on certain payments, and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are non-U.S. entities with U.S. owners); (ii) in the case of a non-financial foreign entity, such entity certifies that it does not have any "substantial United States owners" (as defined in the Code) or provides the applicable withholding agent with a certification identifying the direct and indirect substantial United States owners of the entity (in either case, generally on an IRS Form W-8BEN-E); or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules and provides appropriate documentation (such as an IRS Form W-8BEN-E). Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing these rules may be subject to different rules. The FATCA withholding tax will apply to all withholdable payments without regard to whether the beneficial owner of the payment would otherwise be entitled to an exemption from imposition of withholding tax pursuant to an applicable tax treaty with the United States or U.S. domestic law, though, under certain circumstances, a holder might be eligible for refunds or credits of such taxes.

INVESTORS CONSIDERING THE PURCHASE OF OUR CLASS A COMMON STOCK ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AND THE APPLICABILITY AND EFFECT OF U.S. FEDERAL GIFT AND ESTATE TAX LAWS AND ANY STATE, LOCAL OR NON-U.S. TAX LAWS AND TAX TREATIES.

UNDERWRITING

Robert W. Baird & Co. Incorporated, Raymond James & Associates and Stephens Inc. are serving as joint book-running managers of this offering and as representatives of the underwriters. We, the selling stockholders and the underwriters named below have entered into an underwriting agreement with respect to the shares of our Class A common stock being offered hereby. Subject to certain conditions set forth in the underwriting agreement, each underwriter has severally agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover of this prospectus, the number of shares of our Class A common stock set forth in the following table.

Underwriters	Number of Shares
Robert W. Baird & Co. Incorporated	
Raymond James & Associates, Inc.	
Stephens Inc.	
Imperial Capital, LLC	
D.A. Davidson & Co.	
Total	

The underwriters are severally committed to take and pay for all of the shares of our Class A common stock offered by us and the selling stockholders, if any are taken, other than the shares thereof covered by the option described below. The obligations of the underwriters under the underwriting agreement may be terminated upon the occurrence of certain stated events, including that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or this offering may be terminated.

The selling stockholders have granted the underwriters an option to buy up to an additional shares of our Class A common stock. The underwriters have 30 days from the date hereof to exercise this option. If any shares of our Class A common stock are purchased pursuant to this option, the underwriters will severally purchase such additional shares in approximately the same proportion as set forth in the table above. If any additional shares of our Class A common stock are purchased, the underwriters will offer such additional shares on the same terms as those on which the shares are being offered.

The underwriters propose to offer the shares of our Class A common stock directly to the public at the initial public offering price set forth on the cover of this prospectus and to certain dealers at that price less a concession not in excess of $ per share.

The following tables set forth the per share and total underwriting discounts and commissions to be paid to the underwriters by us and the selling stockholders, assuming both no exercise and full exercise of the underwriters' option to purchase additional shares of our Class A common stock.

Paid by Us	Total Fees	
	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

Paid by the Selling Stockholders	Total Fees	
	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

We estimate that the total expenses paid by us for this offering, including registration, filing, listing and printing fees and legal and accounting expenses, but excluding underwriting discounts and commissions, will be approximately $ million. We have agreed to reimburse the underwriters for certain expenses in connection with the qualification of this offering with the Financial Industry Regulatory Authority, Inc. ("FINRA"). Such reimbursement is deemed to be underwriting compensation by FINRA.

We, the selling stockholders and our directors, executive officers and holders of substantially all of our equity securities have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each of these persons or entities, with limited exceptions, for a period of 180 days after the date hereof, may not, without the prior written consent of Robert W. Baird & Co. Incorporated: (i) directly or indirectly offer, sell, pledge, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, make any short sale, lend, or otherwise transfer or dispose of, or establish or increase any "put equivalent position" or liquidate or decrease any "call equivalent position" (each within the meaning of Section 16 of the Exchange Act) with respect to, any shares of our Class A common stock, any options or warrants to purchase our Class A common stock or any securities convertible into or exercisable or exchangeable for, or that represent the right to receive, our Class A common stock, whether now owned or hereafter acquired; (ii) enter into any swap, forward contract, hedging transaction or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of our Class A common stock, whether any such transaction described in (i) or (ii) is to be settled by delivery of our Class A common stock or such other securities, in cash or otherwise; (iii) file or approve the filing of any registration statement with the SEC relating to the offering of any of our Class A common stock or securities convertible into or exercisable or exchangeable for our Class A common stock, or make any demand for or exercise any right with respect to the registration of any of our Class A common stock or the filing of any registration statement with respect thereto; or (iv) publicly disclose or announce an intention to effect any transaction specified in clause (i), (ii) or (iii). The foregoing restrictions do not apply to, among other transactions, the sales of our Class A common stock to be sold in this offering.

The underwriters do not expect sales to discretionary accounts to exceed 5% of the total number of shares offered.

Prior to this offering, there has been no public market for the shares of our Class A common stock. The initial public offering price has been determined by negotiations among us and the representatives of the underwriters. In determining the initial public offering price, we and the representatives of the underwriters have considered a number of factors, including:

- the information set forth in this prospectus and otherwise available to the representatives of the underwriters;
- our prospects and the history and prospects for the industry in which we compete;
- an assessment of our management;
- prevailing market conditions;
- our historical performance;
- estimates of our business potential and prospects for future earnings;
- consideration of the above factors in relation to market valuation and stages of developments of other companies comparable to ours; and
- other factors deemed relevant by the representatives of the underwriters and us.

Neither we, the selling stockholders nor the underwriters can assure investors that an active trading market will develop for our Class A common stock, or that the shares thereof will trade in the public market at or above the initial public offering price.

We intend to apply to list our Class A common stock on The Nasdaq Stock Market LLC under the symbol "ROAD."

We and the selling stockholders have agreed to indemnify the several underwriters and their controlling persons against certain liabilities, including liabilities under the Securities Act.

Stabilization, Short Positions and Penalty Bids

In connection with this offering, the underwriters may effect certain transactions in shares of our Class A common stock in the open market in order to prevent or retard a decline in the market price of our Class A common stock while this offering is in progress. These transactions may include short sales, purchases to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in this offering, and a short position represents the amount of such sales that have not been covered by subsequent purchases. "Covered" shorts are short positions in an amount not greater than the underwriters' option described herein, and "naked" shorts are short positions in excess of that amount. In determining the source of shares to close out a "covered" short, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option. A "covered" short may be covered by either exercising the underwriters' option or purchasing shares in the open market. A "naked" short is more likely to be created if underwriters are concerned that there may be downward pressure on the price of our Class A common stock in the open market prior to the completion of this offering, and may only be closed out by purchasing shares in the open market. Stabilizing transactions consist of various bids for or purchases of our Class A common stock made by the underwriters in the open market prior to the completion of this offering.

In addition, the underwriters may, pursuant to Regulation M of the Securities Act, also impose a penalty bid, which is when a particular underwriter repays to the other underwriters a portion of the underwriting discount received by it because the representatives of the underwriters have repurchased shares sold by or for the account of that underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or slowing a decline in the market price of our Class A common stock, and together with the imposition of a penalty bid, may stabilize, maintain or otherwise affect the market price of our Class A common stock. As a result, the price of our Class A common stock may be higher than the price that might otherwise exist in the open market. If these activities are commenced by the underwriters, they may be discontinued at any time. These transactions may be effected on The Nasdaq Stock Market LLC, in the over-the-counter market or otherwise.

Electronic Distribution

In connection with this offering, certain of the underwriters may distribute prospectuses by electronic means, such as email. In addition, certain of the underwriters may facilitate Internet distribution for this offering to certain of their Internet subscription customers, and allocate a limited number of shares for sale to its online brokerage customers. A prospectus in electronic format is being made available on the website maintained by one or more of the bookrunners of this offering and may be made available on websites maintained by the other underwriters. Other than this prospectus in electronic format, the information on any underwriter's website and any information contained in any other website maintained by an underwriter is not a part of this prospectus or the registration statement of which this prospectus is a part.

Other Relationships

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, investment research, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may provide from time to time in the future, various financial advisory and investment banking services for us, for which they have received or will receive customary fees and expenses.

In addition, in the ordinary course of their various business activities, certain of the underwriters and their respective affiliates may from time to time effect transactions for their own account or the account of their customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities (including related derivative securities) and financial instruments (including bank loans), and may continue to do so in the future. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Selling Restrictions

Notice to Canadian Residents

Resale Restrictions. The distribution of our Class A common stock in Canada is being made only in the provinces of Ontario, Quebec, Alberta and British Columbia on a private placement basis exempt from the requirement that we and the selling stockholders prepare and file a prospectus with the securities regulatory authorities in each province where trades of these securities are made. Any resale of our Class A common stock in Canada must be made under applicable securities laws which may vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the securities.

Representations of Canadian Purchasers. By purchasing our Class A common stock in Canada and accepting delivery of a purchase confirmation, a purchaser is representing to us, the selling stockholders and the dealer from whom the purchase confirmation is received that:

- the purchaser is entitled under applicable provincial securities laws to purchase our Class A common stock without the benefit of a prospectus qualified under those securities laws as it is an "accredited investor" as defined under National Instrument 45-106—Prospectus Exemptions;
- the purchaser is a "permitted client" as defined in National Instrument 31-103—Registration Requirements, Exemptions and Ongoing Registrant Obligations;
- where required by law, the purchaser is purchasing as principal and not as agent; and
- the purchaser has reviewed the text above under Resale Restrictions.

Conflicts of Interest. Canadian purchasers are hereby notified that each of the underwriters is relying on the exemption set out in Section 3A.3 or 3A.4, if applicable, of National Instrument 33-105—Underwriting Conflicts from having to provide certain conflict of interest disclosure in this document.

Statutory Rights of Action. Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the prospectus (including any amendment thereto) such as

this document contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser of these securities in Canada should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Enforcement of Legal Rights. All of our directors and officers as well as the experts named herein and the selling stockholders may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

Taxation and Eligibility for Investment. Canadian purchasers of shares of our Class A common stock should consult their own legal and tax advisors with respect to the tax consequences of an investment in such shares in their particular circumstances and about the eligibility of our Class A common stock for investment by the purchaser under relevant Canadian legislation.

Notice to Investors in the European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), an offer to the public of our Class A common stock has not been made and may not be made in that Relevant Member State prior to the publication of a prospectus in relation to our Class A common stock which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that an offer to the public in that Relevant Member State of our Class A common stock may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of Robert W. Baird & Co. Incorporated for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of our Class A common stock shall result in a requirement for the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive or a supplemental prospectus pursuant to Article 16 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State and each person who initially acquires our Class A common stock or to whom any offer is made will be deemed to have represented, acknowledged and agreed with the underwriters and us that it is a qualified investor within the meaning of the law of the Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive or any measure implementing the Prospectus Directive in any Relevant Member State.

For the purposes of this provision, the expression "an offer to the public" in relation to our Class A common stock in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and our Class A common stock to be offered so as to enable an investor to decide to purchase our Class A common stock, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent

implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

In the case of our Class A common stock being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, acknowledged and agreed that our Class A common stock acquired by it in this offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of our Class A common stock to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of Robert W. Baird & Co. Incorporated has been obtained to each such proposed offer or resale. We, the underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements. Notwithstanding the above, a person who is not a qualified investor and who has notified Robert W. Baird & Co. Incorporated of such fact in writing may, with the prior consent of Robert W. Baird & Co. Incorporated, be permitted to acquire our Class A common stock in this offering.

Notice to Prospective Investors in the United Kingdom

In the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are "qualified investors" (as defined in Directive 2003/71/EC and amendments thereto, including the 2010 PD Amending Directive) who (i) have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") and/or (ii) are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (collectively, "Relevant Persons"). This document must not be acted on or relied on in the United Kingdom by persons who are not Relevant Persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, Relevant Persons.

Notice to Investors in Switzerland

This document is not intended to constitute an offer or solicitation to purchase or invest in our Class A common stock. The shares may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland, and neither this document nor any other offering or marketing material relating to the shares may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to this offering, nor us nor the shares have been or will be filed with or approved by any Swiss regulatory authority. The shares are not subject to the supervision by any Swiss regulatory authority (*e.g.*, the Swiss Financial Markets Supervisory Authority FINMA) and investors in the shares will not benefit from protection or supervision by such authority.

Notice to Investors in South Africa

Due to restrictions under the securities laws of South Africa, our Class A common stock is not offered, and the offer of our Class A common stock shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions applies:

- the offer, transfer, sale, renunciation or delivery is to a duly registered bank, mutual bank, financial services provider, financial institution, the Public Investment Corporation (in each case registered as such in South Africa), a person who deals with securities in their ordinary course of business, or a wholly owned subsidiary of a bank, mutual bank, authorized services provider or financial institution, acting as agent in the capacity of an authorized portfolio manager for a pension fund (duly registered in South Africa), or as manager for a collective investment scheme (registered in South Africa); or
- the contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than R1,000,000.

This document does not, nor is it intended to, constitute an "offer to the public" (as defined in the South African Companies Act, 2008 (the "SA Companies Act")) and does not, nor is it intended to, constitute a prospectus prepared and registered under the SA Companies Act. This document is not an "offer to the public" and must not be acted on or relied on by persons who do not fall within Section 96(1)(a) of the SA Companies Act (such persons, "Relevant Persons"). Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

A South African resident person or company or any non-South African company which is a subsidiary of a South African company is not permitted to acquire our Class A common stock unless such person has obtained exchange control approval to do so.

LEGAL MATTERS

The validity of the shares of our Class A common stock being offered hereby by us and the selling stockholders will be passed upon by Akin Gump Strauss Hauer & Feld LLP, Dallas, Texas. Certain legal matters will be passed upon for the underwriters by Latham & Watkins LLP, Chicago, Illinois.

EXPERTS

The audited consolidated financial statements of Construction Partners, Inc. as of and for the fiscal years ended September 30, 2016 and 2017 included in this prospectus and elsewhere in the registration statement of which this prospectus is a part have been so included in reliance upon the report of RSM US LLP, independent registered public accountants, upon the authority of said firm as experts in accounting and auditing.

CHANGE IN ACCOUNTANTS

In June 2017, we retained RSM US LLP ("RSM") as our independent registered public accounting firm. Our independent registered public accounting firm was previously PBMares, LLP ("PBMares"). The decision to dismiss PBMares and appoint RSM was approved by our board of directors, effective as of June 19, 2017. Subsequent to the appointment of RSM, we engaged RSM to reaudit our consolidated financial statements at and for the fiscal years ended September 30, 2015 and 2016, which had previously been audited by PBMares.

The reports of PBMares on our consolidated financial statements at and for the fiscal years ended September 30, 2015 and 2016 did not contain any adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles. During the two most recent fiscal years preceding our discharge of PBMares and the subsequent interim period through June 19, 2017, we had no "disagreements" (as defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions thereto) with PBMares on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of PBMares, would have caused PBMares to make reference in connection with its opinion to the subject matter of the disagreement during its audit of our consolidated financial statements for the fiscal years ended September 30, 2015 and 2016. During the two most recent fiscal years preceding our discharge of PBMares and the subsequent interim period through June 19, 2017, there were no "reportable events" (as defined in Item 304(a)(1)(v) of Regulation S-K and the related instructions thereto).

During the two fiscal years ended September 30, 2016 and through the period ended June 19, 2017, we did not consult with RSM with respect to (i) the application of accounting principles to a specified transaction, either completed or proposed, the type of audit opinion that might be rendered on our financial statements, and neither a written report nor oral advice was provided to the Company that RSM concluded was an important factor considered by the Company in reaching a decision as to any accounting, auditing or financial reporting issue, or (ii) any other matter that was the subject of a disagreement or a reportable event (each as defined above).

We have provided PBMares with a copy of the foregoing disclosure and requested that PBMares furnish us with a letter addressed to the SEC stating whether or not PBMares agrees with the above statements and, if not, stating the respects in which it does not agree. A copy of the letter, dated January 26, 2018, furnished by PBMares in response to that request, is filed as Exhibit 16.1 to the registration statement of which this prospectus is a part.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act covering the securities offered by this prospectus. This prospectus, which constitutes a part of that registration statement, does not

contain all of the information that you can find in the registration statement and the exhibits thereto. Certain items are omitted from this prospectus in accordance with the rules and regulations of the SEC. For further information about us and the shares of our Class A common stock offered by this prospectus, reference is made to the registration statement and the exhibits thereto. Statements contained in this prospectus as to the contents of any contract or other document are not necessarily complete and, in each instance, are qualified by reference to each such contract or document contained in or as an exhibit to the registration statement. Upon the completion of this offering, we will be required to file periodic reports, proxy statements and other information with the SEC. You may read any materials we file with the SEC free of charge at the SEC's Public Reference Room at 100 F Street, N.E., Washington, DC 20549. Copies of all or any part of these documents may be obtained from such office upon the payment of the fees prescribed by the SEC. Information on the operation of the SEC's Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site, *www.sec.gov*, that contains periodic reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The registration statement, including all exhibits thereto and amendments thereof, has been filed electronically with the SEC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders of Construction Partners, Inc.:

We have audited the accompanying consolidated balance sheets of Construction Partners, Inc. and subsidiaries as of September 30, 2017 and 2016, and the related consolidated statements of income, stockholders' equity and cash flows for the fiscal years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Construction Partners, Inc. and subsidiaries as of September 30, 2017 and 2016, and the results of their operations and their cash flows for the fiscal years then ended, in conformity with U.S. generally accepted accounting principles.

/s/ RSM US LLP

Birmingham, Alabama

December 20, 2017

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	September 30, 2016	September 30, 2017
ASSETS		
Current assets:		
Cash	$ 51,085	$ 27,547
Contracts receivable including retainage, net	102,810	120,984
Costs and estimated earnings in excess of billings on uncompleted contracts	7,446	4,592
Inventories	13,245	17,487
Other current assets	2,342	4,520
Total current assets	176,928	175,130
Property, plant and equipment, net	104,338	115,911
Goodwill	29,957	30,600
Intangible assets, net	2,850	2,550
Other assets	2,197	2,483
Deferred income taxes, net	2,012	1,876
Total assets	$318,282	$328,550
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 40,763	$ 52,402
Billings in excess of costs and estimated earnings on uncompleted contracts	26,888	32,108
Current maturities of debt	14,861	10,000
Accrued expenses and other current liabilities	17,531	20,036
Total current liabilities	100,043	114,546
Long-term liabilities:		
Long-term debt, net of current maturities	46,101	47,136
Deferred income taxes, net	8,938	9,667
Other long-term liabilities	6,917	5,020
Total long-term liabilities	61,956	61,823
Total liabilities	161,999	176,369
Commitments and contingencies		
Stockholders' Equity		
Preferred stock, par value $0.001; 1,000,000 shares authorized and no shares issued and outstanding	—	—
Common stock, $.001 par value, 5,000,000 shares authorized, 1,785,221 issued and 1,646,924 and 1,654,426 outstanding at September 30, 2016 and September 30, 2017, respectively	2	2
Additional paid-in capital	141,915	142,428
Treasury stock, at cost	(12,621)	(11,983)
Retained earnings	26,987	21,734
Total stockholders' equity	156,283	152,181
Total liabilities and stockholders' equity	$318,282	$328,550

See notes to consolidated financial statements

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except share and per share data)

	For the Fiscal Years Ended September 30,	
	2016	2017
Revenues	$ 542,347	$ 568,212
Cost of revenues	467,464	477,241
Gross profit	74,883	90,971
General and administrative expenses	(40,428)	(47,867)
Gain on sale of equipment, net	2,997	3,481
Operating income	37,452	46,585
Interest expense, net	(4,662)	(3,960)
Loss on extinguishment of debt	—	(1,638)
Other expense	(227)	(205)
Income before provision for income taxes	32,563	40,782
Provision for income taxes	10,541	14,742
Net income	$ 22,022	$ 26,040
Net income per share attributable to common stockholders:		
Basic and diluted	$ 12.90	$ 15.79
Weighted average number of common shares outstanding:		
Basic and diluted	1,706,711	1,648,821

See notes to consolidated financial statements.

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except share data)

	Common Stock		Additional Paid-in Capital	Treasury Stock	Retained Earnings	Total Stockholders' Equity
	Shares	Amount				
Balance, September 30, 2015	1,785,221	$ 2	$141,698	$ (3,695)	$ 4,965	$142,970
Treasury stock purchase	—	—	—	(9,138)	—	(9,138)
Treasury stock reissued	—	—	—	212	—	212
Equity-based compensation expense	—	—	217	—	—	217
Net income	—	—	—	—	22,022	22,022
Balance, September 30, 2016	1,785,221	2	141,915	(12,621)	26,987	156,283
Treasury stock reissued	—	—	—	638	—	638
Common stock dividend paid	—	—	—	—	(31,293)	(31,293)
Equity-based compensation expense	—	—	513	—	—	513
Net income	—	—	—	—	26,040	26,040
Balance, September 30, 2017	**1,785,221**	**$ 2**	**$142,428**	**$(11,983)**	**$ 21,734**	**$152,181**

See notes to consolidated financial statements

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	For the Fiscal Years Ended September 30,	
	2016	2017
Cash flows from operating activities:		
Net income	$ 22,022	$ 26,040
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization of long-lived assets	21,530	21,072
Amortization of deferred debt issuance costs	912	660
Loss on extinguishment of debt	—	1,638
Provision for bad debt	732	1,445
Gain on sale of equipment	(2,997)	(3,481)
Equity-based compensation expense	217	513
Deferred income taxes	8,147	865
Changes in operating assets and liabilities:		
Contracts receivable including retainage, net	(13,690)	(19,619)
Costs and estimated earnings in excess of billings on uncompleted contracts	8,960	2,854
Inventories	3,304	(3,063)
Other current assets	912	(2,178)
Other assets	(84)	(286)
Accounts payable	(10,534)	11,639
Billings in excess of costs and estimated earnings on uncompleted contracts	9,518	5,220
Accrued expenses and other current liabilities	4,332	5,505
Other long-term liabilities	(1,587)	(1,897)
Net cash provided by operating activities	51,694	46,927
Cash flows from investing activities:		
Purchases of property, plant and equipment	(24,855)	(24,399)
Proceeds from sale of equipment	5,850	4,556
Acquisition of a business	—	(10,843)
Net cash used in investing activities	(19,005)	(30,686)
Cash flows from financing activities:		
Repayments on revolving credit facility	(3,670)	(5,101)
Proceeds from revolving credit facility	—	10,000
Proceeds from issuance of long-term debt, net of debt issuance costs	3,883	49,617
Repayments of long-term debt	(18,306)	(60,640)
Payment of treasury stock purchase obligation	(3,000)	(3,000)
Proceeds from reissuance of treasury stock	212	638
Common stock dividend paid	—	(31,293)
Net cash used in financing activities	(20,881)	(39,779)
Net change in cash	11,808	(23,538)
Cash:		
Beginning of Period	39,277	51,085
End of Period	$ 51,085	$ 27,547
Supplemental cash flow information:		
Cash paid for interest	$ 4,311	$ 3,307
Cash paid for income taxes	$ 2,566	$ 12,530
Non-cash items:		
Treasury stock purchase obligation	$ 6,138	$ —

See notes to consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1—General

Business Description

Construction Partners, Inc. (the "Company") is a leading infrastructure and road construction company operating in Alabama, Florida, Georgia, South Carolina and North Carolina through its wholly owned subsidiaries. The Company provides site development, paving, utility and drainage systems, as well as hot mix asphalt supply. The Company executes projects for a mix of private, municipal, state, and federal customers that are both privately and publicly funded. The majority of the work is performed under fixed unit price contracts and, to a lesser extent, fixed total price contracts.

The Company was formed as a Delaware corporation in 2007 as a holding company for its wholly owned subsidiary, Construction Partners Holdings, Inc., a Delaware corporation incorporated in 1999 and which began operations in 2001, to execute an acquisition growth strategy in the hot mix asphalt paving and construction industry. SunTx Capital Partners ("SunTx"), a private equity firm based in Dallas, Texas, is the Company's majority investor and has owned a controlling interest in the Company's stock since its inception. On September 20, 2017, the Company changed its name from SunTx CPI Growth Company, Inc. to Construction Partners, Inc.

Management's Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the recorded amounts of assets, liabilities, stockholders' equity, revenues and expenses during the reporting period, and the disclosure of contingent liabilities at the date of the financial statements. Estimates are used in accounting for items such as recognition of revenues and cost of revenues, goodwill and other intangible assets, allowance for doubtful accounts, valuation allowances related to income taxes, accruals for potential liabilities related to lawsuits or insurance claims, and the fair value of equity-based compensation awards. Estimates are continually evaluated based on historical information and actual experience, however, actual results could differ from these estimates.

Note 2—Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Construction Partners, Inc. and its wholly-owned subsidiaries. All inter-company balances and transactions have been eliminated in consolidation.

Emerging Growth Company

Construction Partners, Inc. is an "emerging growth company" as defined by the Jumpstart Our Business Startups Act, or "JOBS Act" enacted in April 2012. As an emerging growth company, the Company may take advantage of an exemption from being required to comply with new or revised financial accounting standards until the effective date of such standards is applicable to private companies. The JOBS Act provides that a company may elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies, but any such election to opt out is irrevocable. The Company has elected to opt out of such extended transition period, which means that when a standard is issued or revised and it has different effective dates for public and private companies, the Company is required to adopt the new or revised standard at the effective date applicable to public companies that are not emerging growth companies.

Cash

Cash consists principally of currency on hand and demand deposits at commercial banks. The Company maintains demand accounts at several banks. From time to time, account balances have exceeded the maximum available Federal Deposit Insurance Corporation (FDIC) coverage limit. The Company has not experienced any losses in such accounts and regularly monitors the Company's credit risk.

Contracts Receivable Including Retainage, net

Contracts receivable are generally based on amounts billed and currently due from customers, amounts currently due but unbilled, and amounts retained by the customer pending completion of a project. It is common in the Company's industry for a small portion of progress billings or the contract price, typically 10%, to be withheld by the customer until the Company completes a project to the satisfaction of the customer in accordance with contract terms. Such amounts are also included as contracts receivable including retainage. Based on the Company's experience with similar contracts in recent years, billings for such retainage balances are generally collected within one year of the completion of the project.

The carrying value of contracts receivable including retainage, net of the allowance for doubtful accounts, represents their estimated net realizable value. Management provides for uncollectible accounts through a charge to earnings and a credit to the allowance for doubtful accounts based on its assessment of the current status of individual accounts, type of service performed, and current economic conditions. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and an adjustment of the contract receivable.

Costs and Estimated Earnings on Uncompleted Contracts

Billing practices for the Company's contracts are governed by the contract terms of each project based on progress toward completion approved by the owner, achievement of milestones or pre-agreed schedules. Billings do not necessarily correlate with revenues recognized under the percentage-of-completion method of accounting. The Company records current assets and current liabilities to account for these differences in timing.

The current asset, "Costs and estimated earnings in excess of billings on uncompleted contracts," represents revenues that have been recognized in amounts which have not been billed under the terms of the contracts. Included in costs and estimated earnings on uncompleted contracts are amounts the Company seeks or will seek to collect from customers or others for errors, changes in contract specifications or design, contract change orders in dispute, unapproved as to scope and price, or other customer related causes of unanticipated additional contract costs (claims and unapproved change orders). Such amounts are recorded at estimated net realizable value when realization is probable and can be reasonably estimated. Claims and unapproved change orders made by the Company may involve negotiation and, in rare cases, litigation. Unapproved change orders and claims also involve the use of estimates, and revenues associated with unapproved change orders and claims are included when realization is probable and amounts can be reliably determined. The Company did not recognize any material amounts associated with claims and unapproved change orders during the periods presented.

The current liability, "Billings in excess of costs and estimated earnings on uncompleted contracts," represents billings to customers in excess of revenues recognized.

Concentration of Risks

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of contracts receivable including retainage. In the normal course of business, the Company provides credit to its

customers and does not generally require collateral. Concentrations of credit risk associated with these receivables are monitored on an ongoing basis. The Company has not historically experienced significant credit losses due primarily to management's assessment of customers' credit ratings. The Company principally deals with recurring customers, state and local governments and well-known local companies whose reputations are known to the Company. Credit checks are performed for significant new customers. Progress payments are generally required for significant projects. The Company generally has the ability to file liens against the property if payments are not made on a timely basis. No customer accounted for more than 10% of the Company's contracts receivable including retainage, net balance at September 30, 2016 or September 30, 2017.

Projects performed for various Departments of Transportation accounted for 44.3% and 41.9% of consolidated revenues for the fiscal years ended September 30, 2016 and September 30, 2017, respectively. Two customers accounted for more than 10% of consolidated revenues for the fiscal years ended September 30, 2016 and September 30, 2017, as follows:

	% of Consolidated Revenues for the Fiscal Years Ended September 30,	
	2016	2017
Alabama Department of Transportation	17.6%	14.9%
North Carolina Department of Transportation	12.9%	13.9%

Inventories

The Company's inventories are stated at the lower of cost or net realizable value using the average cost method. The cost of inventory includes the cost of material, labor, trucking and other equipment costs associated with procuring and transporting materials to asphalt plants for production and delivery to customers. Inventories consist primarily of raw materials including asphalt cement, aggregate and millings which are primarily expected to be utilized on construction projects within one year.

Revenues and Cost Recognition

Revenues from the Company's contracts are recognized on the percentage-of-completion method, measured by the relationship of total cost incurred to total estimated contract costs (cost-to-cost method). Changes in job performance, job conditions, and estimated profitability, including those arising from contract penalty provisions and final contract settlements, may result in favorable or unfavorable revisions to estimated costs, revenues and gross profit, and are recognized in the period in which the revisions are determined. Revisions in estimates related to amounts recorded in prior periods resulted in the Company recording net changes in revenues of $(2.8) million and $4.6 million during the fiscal years ended September 30, 2016 and September 30, 2017, respectively.

The accuracy of revenues and cost of revenues reported on the consolidated financial statements depends on, among other things, management's estimates of total costs to complete projects. Management believes the Company maintains reasonable estimates based on management's experience; however, many factors contribute to changes in estimates of contract costs. Accordingly, estimates made with respect to uncompleted projects are subject to change as each project progresses and better estimates of contract costs become available. All contract costs are recorded as incurred and revisions to estimated total costs are reflected as soon as the obligation to perform is determined. Provisions are recognized for the full amount of estimated losses on uncompleted contracts whenever evidence indicates that the estimated total cost of a contract exceeds its estimated total revenue, regardless of the stage of completion. When the Company incurs additional costs related to work performed by

subcontractors, the Company may have contractual provisions to back charge the subcontractors for those costs. A reduction to costs related to back charges is recognized when the estimated recovery is probable and the amount can be reasonably estimated.

Contract costs include direct labor and material, subcontractors, direct overhead costs and equipment costs (primarily depreciation, fuel, maintenance and repairs).

Fair Value Measurements

Management applies fair value measurement guidance to its impairment analyses for tangible and intangible assets. The Financial Accounting Standards Board ("FASB") Account Standards Codification ("ASC") Topic 820, *Fair Value Measurements and Disclosures*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Inputs used to measure fair value are classified using the following hierarchy:

Level 1. Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly through corroboration with observable market data.

Level 3. Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs used in the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

The Company endeavors to utilize the best available information in measuring fair value.

The Company's financial instruments include cash, contracts receivable including retainage and accounts payable reflected as current assets and current liabilities on its Consolidated Balance Sheet at September 30, 2016 and September 30, 2017. Due to the short-term nature of these instruments, management considers their carrying value to approximate their fair value.

The Company also has a term loan and a revolving credit facility as described in Note 9. The carrying value of amounts outstanding under these credit facilities is reflected as long-term debt, net of current maturities and current maturities of debt on the Company's Consolidated Balance Sheet at September 30, 2016 and September 30, 2017. Due to the variable rate nature of these instruments, management considers their carrying value to approximate their fair value.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost and depreciated on a straight-line basis over their estimated useful lives. Leasehold improvements for operating leases are amortized over the lesser of the term of the related lease or the estimated useful lives of the improvements. Quarry reserves are depleted in accordance with the units-of-production method as aggregate is extracted, using the initial allocation of cost based on proven and probable reserves. Routine repairs and maintenance are expensed as incurred. Asset improvements are capitalized at cost and amortized over the remaining useful life of the related asset.

The useful life of property, plant and equipment categories are as follows:

Category	Estimated Useful Life
Land and improvements	Unlimited
Quarry reserves	Indefinite, based on depletion
Buildings	5 - 39 years
Asphalt plants	3 - 20 years
Construction Equipment	3 - 10 years
Furniture and fixtures	5 - 10 years
Leasehold improvements	The shorter of 15 years or the remaining lease term

Management periodically assesses the estimated useful life over which assets are depreciated, depleted or amortized. If the analysis warrants a change in the estimated useful life of property, plant and equipment, management will reduce the estimated useful life and depreciate, deplete or amortize the carrying value prospectively over the shorter remaining useful life.

The carrying amounts of assets sold or retired and the related accumulated depreciation are eliminated in the period of disposal and the resulting gains and losses are included in the results of operations during the same period.

Impairment of Long-Lived Assets

The carrying value of property, plant and equipment and intangible assets subject to amortization is evaluated whenever events or changes in circumstances indicate that the carrying amount of such assets, or an asset group, may not be recoverable. Events or circumstances that might cause management to perform impairment testing include, but are not limited to, a significant decrease in the market price of an asset, a significant adverse change in the extent or manner in which an asset is used or in its physical condition, an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of an asset, an operating or cash flow performance combined with a history of operating or cash flow losses or a forecast that demonstrates continuing losses associated with the use of an asset, and an expectation that an asset will be disposed of significantly before the end of its previously estimated useful life. If indicators of potential impairment are present, management performs a recoverability test and, if necessary, records an impairment loss. If the total estimated future undiscounted cash flows to be generated from the use and ultimate disposition of an asset or asset group is less than its carrying value, an impairment loss is recorded in the Company's results of operations, measured as the amount required to reduce the carrying value to fair value. Fair value is determined in accordance with the best available information per the hierarchy described under *Fair Value Measurements* above. For example, the Company would first seek to identify quoted prices or other observable market data. If observable data is not available, Management would apply the best available information under the circumstances to a technique such as a discounted cash flow model to estimate fair value. Impairment analysis involves estimates and the use of assumptions due to the inherently judgmental nature of forecasting long-term estimated inflows and outflows resulting from the use and ultimate disposition of an asset, and determining the ultimate useful lives of assets. Actual results may differ from these estimates using different assumptions, which could materially impact the results of an impairment assessment.

Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of assets acquired and liabilities assumed in a business combination. Other intangible assets are comprised of finite-lived non-compete agreements and an

indefinite-lived name license in connection with businesses acquired. Goodwill and indefinite-lived intangible assets are not amortized, but are reviewed for impairment at least annually, or more frequently when events or changes in circumstances indicate that the carrying value may not be recoverable. In addition, management evaluates whether events and circumstances continue to support an indefinite useful life. Judgments regarding indicators of potential impairment are based on market conditions and operational performance of the business.

Annually, on the first day of the fourth fiscal quarter, management performs an analysis of the carrying value of goodwill at its reporting units for potential impairment. In accordance with GAAP, the Company may assess its goodwill for impairment initially using a qualitative approach ("step zero") to determine whether conditions exist to indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying value. If management concludes, based on its assessment of relevant events, facts and circumstances, that it is more likely than not that a reporting unit's carrying value is greater than its fair value, then a quantitative analysis will be performed to determine whether there is any impairment. The Company may also elect to initially perform a quantitative analysis instead of starting with step zero. The quantitative assessment for goodwill is a two-step process. "Step one" requires comparing the carrying value of a reporting unit, including goodwill, to its fair value using the income approach. The income approach uses a discounted cash flow model, which involves significant estimates and assumptions, including preparation of revenues and profitability growth forecasts, selection of a discount rate, and selection of a terminal year multiple, to estimate fair value. Management's assessment of facts and circumstances at each analysis date could cause these assumptions to change. If the fair value of the respective reporting unit exceeds its carrying amount, goodwill is not considered to be impaired and no further testing is required. If the carrying amount of a reporting unit exceeds its fair value, the second step of the goodwill impairment test is to measure the amount of impairment loss, if any. "Step two" compares the implied fair value of goodwill to the carrying amount of goodwill. The implied fair value of goodwill is determined by a hypothetical purchase price allocation using the reporting unit's fair value as the purchase price. Management would allocate the estimated fair value of the assets and liabilities of the reporting unit as if the unit was acquired in a business combination, thereby revaluing the carrying amount of goodwill. If the carrying amount of goodwill exceeds the implied fair value, an impairment charge is recorded to write down goodwill to its implied fair value and is recorded in the Company's results of operations. The Company performed a step one analysis of goodwill during fiscal year 2016 and fiscal year 2017 and determined that the fair value of each of its reporting units exceeded its carrying value, and thus concluded that the carrying value of goodwill was not impaired at September 30, 2016 or September 30, 2017. Accordingly, no further analysis was required or performed.

Management also performs an annual assessment on the first day of the fiscal fourth quarter, of the carrying value of its indefinite-lived intangible assets other than goodwill. Management tests the indefinite-lived intangible assets for impairment by comparing its carrying value to its estimated fair value. An impairment loss is recorded in the Company's results of operations to the extent the carrying value of an indefinite-lived intangible asset exceeds it fair value. Similar to the assessment of goodwill, events and changes in circumstances could cause management to utilize different assumptions in subsequent evaluations, which could materially impact the results of an impairment assessment.

Deferred Debt Issuance Costs

Costs directly associated with obtaining debt financing are deferred and amortized over the term of the related debt agreement. Unamortized amounts related to long-term debt are reflected on the Consolidated Balance Sheet as a direct deduction from the carrying amount of the related long-term debt liability.

Equity Issuance Costs

The Company capitalizes certain third-party fees that are directly associated with in-process equity offerings. These amounts are recorded as prepaid expenses, included in other current assets on the Consolidated Balance Sheet until the offering is consummated, suspended or abandoned. If efforts to complete an equity offering are suspended or abandoned, the capitalized costs are charged to general and administrative expenses in the period the offering is suspended or abandoned. When an offering is completed, the capitalized costs are recorded as a reduction to additional paid-in capital generated by the offering. At September 30, 2017, $2.2 million of capitalized equity issuance costs are included in other current assets.

Comprehensive Income

Comprehensive income is a measure of net income and all other changes in equity that result from transactions other than transactions with stockholders. Management has determined that net income is the Company's only component of comprehensive income. Accordingly, there is no difference between net income and comprehensive income.

Income Taxes

The provision for income taxes includes federal and state income taxes. Income taxes are accounted for under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement carrying values and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which the temporary differences are expected to be reversed or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Management evaluates the realization of deferred tax assets and establishes a valuation allowance when it is more likely than not that all or a portion of the deferred tax assets will not be realized. Deferred tax assets and deferred tax liabilities are presented net by taxing authority and classified as non-current on the Company's Consolidated Balance Sheet.

The Company's policy is to classify income tax related interest and penalties as interest expense and other expenses, respectively.

Equity-based Incentive Plans

Compensation costs related to equity-classified share-based awards to employees are recognized on the financial statements based on grant-date fair value. Compensation cost for graded-vesting awards is recognized ratably over the vesting periods.

Accrued Insurance Costs

The Company carries insurance policies to cover various risks, including primarily general liability, automobile liability and workers' compensation, under which it is liable to reimburse the insurance company for a portion of each claim paid. The amount for which the Company is liable for general liability, automobile liability and workers' compensation claims is $0.25 million per occurrence. Management accrues for probable losses, both reported and unreported, that are reasonably estimable using actuarial methods based on historic trends modified, if necessary, by recent events. Changes in loss assumptions caused by changes in actual experience would affect the assessment of the ultimate liability and could have an effect on the Company's operating results and financial position up to $0.25 million per occurrence for general liability, automobile liability and workers' compensation claims.

The Company provides employee medical insurance under policies that are both fixed premium fully-insured policies and self-insured policies that are administered by the insurance company. Under the self-insured policies the Company is liable to reimburse the insurance company for actual claims paid plus an administrative fee. The Company purchases separate stop-loss insurance which limits the individual participant claim loss to amounts ranging from seventy-five thousand to one hundred sixty thousand dollars.

In addition to the retention items noted above, the Company is required by the Company's insurance provider to maintain a standby letter of credit. This letter of credit serves as a guarantee by the banking institution to pay the Company's insurance provider the incurred claim costs attributable to general liability, workers' compensation and automobile liability claims, up to the amount stated in the standby letter of credit, in the event that these claims are not paid by the Company.

Earnings per Share

Basic earnings per share is computed by dividing net income attributable to common stockholders by the weighted average number of common shares outstanding during the period. Diluted earnings per share is calculated by dividing net income attributable to common stockholders by the weighted average number of common shares and potential dilutive common shares outstanding during the period, determined using the treasury stock method. Securities that are anti-dilutive are not included in the calculation of diluted earnings per share.

Segment Reporting and Reporting Units

The Company operates in Alabama, Florida, Georgia, South Carolina and North Carolina through its wholly-owned legal entity subsidiaries. Each of these entities was established as an acquired platform operating company and performs essentially the same operations, primarily infrastructure and road construction, in its respective state.

Management determined that the Company functions as a single operating segment, and thus reports as a single reportable segment. This determination is based on rules prescribed by GAAP applied to the manner in which management operates the Company. In particular, management assessed the discrete financial information routinely provided to the Company's Chief Operating Decision Maker ("CODM"), its Chief Executive Officer, to monitor the Company's operating performance and support decisions regarding allocation of resources to its operations. Specifically, performance is continuously monitored at the consolidated level and at the individual contract level to timely identify fluctuations from expected results. Resource allocations are based on the capacity of the Company's operating facilities to pursue new project opportunities, including reallocation of assets that are underutilized from time to time at a certain operating facility to another operating facility where additional resources might be required to fully meet demand. Management considered other factors further supporting this conclusion, noting substantial similarities throughout all of the Company's operations with respect to services provided, type of customers, sourcing of materials and manufacturing and delivery methodologies.

Management further determined that the Company's four platform operating companies represent the Company's reporting units for purposes of assessing potential impairment of goodwill. These operating companies function one level below the Company's single operating segment. These legal entities represent significant acquisitions that occurred over time in Alabama, Georgia, North Carolina and Florida pursuant to the Company's strategic growth strategy. Each platform company is managed by a President of the entity who has primary responsibility for their respective operating company. Collectively, these Presidents are directly accountable to, and maintain regular contract with, the CODM as a team to discuss operating activities, financial results, forecasts, and operating plans for the Company's single operating segment.

Note 3—Accounting Standards

Recently Adopted Accounting Pronouncements

In August 2014, the FASB issued Accounting Standards Update ("ASU") 2014-15, *Presentation of Financial Statements—Going Concern (Topic 205): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*. Amendments of this update address management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern within one year after the date that the financial statements are issued or are available to be issued. Disclosures are required when conditions or events exist that raise such substantial doubt. The evaluation must be based on relevant conditions and events that are known and reasonably knowable at that date. The amendments of this update are effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. Early adoption is permitted. The Company adopted this guidance during fiscal year 2016. Adoption of the guidance did not have an impact on the Company's disclosure in the notes to its consolidated financial statements.

Recently Issued Accounting Pronouncements

The FASB has issued certain ASUs that are applicable to the Company and will be adopted in future periods. The consolidated financial statements and related disclosures for the fiscal years ended September 30, 2016 and September 30 2017 do not reflect the requirements of this guidance. The following is a brief description of the recently issued ASUs and management's current assessment regarding the methods, timing and impact of adoption of such ASUs by the Company in the future.

In January 2017, the FASB issued ASU No. 2017-04, *Intangibles—Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairments*. The amendments of this update are required for public business entities and other entities that have goodwill reported in their financial statements. The amendments of this update modify the concept of impairment from the condition that exists when the carrying amount of goodwill exceeds its implied fair value to the condition that exists when the carrying amount of a reporting unit exceeds its fair value. Prior to the amendments of this guidance, an entity performs the first step of the goodwill impairment test by comparing the fair value of a reporting unit to its carrying amount. If an impairment loss was indicated, the entity computes the implied fair value of goodwill to determine the amount of an impairment loss, if any (step two). Implied fair value of goodwill is calculated by assigning the fair value of a reporting unit to all of its assets and liabilities in a manner consistent with procedures performed as if that reporting unit had been acquired in a business combination. An entity still has the option to perform the qualitative assessment for a reporting unit to determine whether a quantitative impairment test is necessary. If a quantitative test is performed, this guidance eliminates step two of the assessment. Rather, under the amendments of this update, an entity shall recognize an impairment charge in the amount by which the carrying amount exceeds the reporting unit's fair value, limited to the total amount of goodwill allocated to that reporting unit. The new guidance is effective for public companies for fiscal years beginning after December 15, 2019 and interim periods within those years, and shall be applied on a prospective basis to goodwill impairment tests subsequent to adoption of the standard. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. An entity is required to disclose the nature of and reason for the change in accounting principle upon transition. That disclosure should be provided in the first annual period and in the interim period within the first annual period when the entity initially adopts the amendments of this update. Management is currently assessing this guidance to determine the Company's adoption date and the potential impact of adoption on the Company's consolidated financial statements, and expects to revise disclosures upon adoption to describe the Company's impairment analysis methodology and reason for the change in accounting principle.

In January 2017, the FASB issued ASU 2017-01, *Business Combinations (Topic 805): Clarifying the Definition of a Business*. The amendments of this update refine the definition of a business. Prior to this update, guidance in Topic 805 defined a business as having an integrated set of assets along with three elements or activities: inputs, processes, and outputs (collectively referred to as a "set"). The amendments of this update provide a framework to assist entities in evaluating when a set is not a business. Amendments of this update are applicable to public companies for annual periods beginning after December 15, 2017, including interim periods within those periods. This update shall be applied prospectively on or after the effective date. No disclosures are required at transition. Early application is permitted under certain circumstances. Management expects to adopt this update for the Company's fiscal year beginning October 1, 2018, and is currently evaluating this guidance to determine the potential impact of adoption on its consolidated financial statements and disclosures.

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*. The amendments of this update provide guidance on eight cash flow classification issues: debt prepayment and debt extinguishment costs, settlement of certain debt instruments, contingent consideration payments made after a business combination, proceeds from the settlement of insurance claims, proceeds from the settlement of corporate-owned life insurance policies, distributions received from equity method investees, beneficial interests in securitization transactions, and separately identifiable cash flows and application of the predominance principle. The amendments of this update are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments shall be reflected as of the beginning of the fiscal year that includes that interim period. Management is currently assessing this guidance to determine the Company's adoption date and the potential impact of adoption on the Company's consolidated financial statements and disclosures.

In March 2016, the FASB issued ASU No. 2016-09, *Compensation—Stock Compensation (Topic 718)*: *Improvements to Employee Share-Based Payment Accounting*. Amendments of this Update change the accounting for certain aspects of share-based payments to employees. The guidance requires the recognition of the income tax effects of awards in the income statement when the awards vest or are settled, thus eliminating additional paid-in capital pools. The guidance also allows for the employer to repurchase more of an employee's shares for tax withholding purposes without triggering liability accounting. In addition, the guidance allows for a policy election to account for forfeitures as they occur rather than on an estimated basis, as is currently required. Amendments of the Update are effective for annual periods beginning after December 15, 2016, including interim periods within those fiscal years. Early adoption is permitted. Management is currently evaluating this guidance to determine the potential impact of adoption on its consolidated financial statements and disclosures

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The amendments of this guidance require a lessee to recognize most leases on its balance sheet, and recognize expenses on the income statement in a manner similar to current practice. The lessee will recognize a lease liability calculated as the present value of its obligation to make lease payments and a right-to-use asset for the right to use the underlying assets for the lease term. Leases will continue to be classified as either financing or operating. Operating leases will result in a single lease cost allocated over the lease term on a straight-line basis with cash payments presented as cash flows from operations. Financing leases will result in separate presentation of interest expense on the lease liability and amortization expense of the right-to-use asset, with repayments of the principal portion of the lease liability presented as financing activities and payments of interest on the lease liability and variable lease payments presented as operating activities. The amendments of this update are effective for public companies in annual periods beginning on or after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. The Company leases office premises and equipment as described in Note 17. Management expects to adopt this ASU for the Company's fiscal year beginning October 1, 2019, and is currently evaluating

this guidance to determine the potential impact of adoption on its consolidated financial statements and disclosures.

In May 2014, the FASB issued ASU No. 2014-09*, Revenue from Contracts with Customers (Topic 606)*, which revises and consolidates current guidance, eliminates industry-specific revenue recognition guidance and establishes a comprehensive principle-based approach for determining revenue recognition. The core principle of the guidance is that an entity shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for providing those goods or services. Amendments of this update set forth a five-step revenue recognition model to be applied consistently to all contracts with customers, except those that are within the scope of other topics in the ASC: identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligation in the contract, and recognize revenue when (or as) the entity satisfies a performance obligation. The update also provides guidance regarding the recognition of costs related to obtaining and fulfilling customer contracts. This update also requires quantitative and qualitative disclosures sufficient to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including disclosures on significant judgments made when applying the guidance.

Subsequent to the issuance of ASU 2014-09, the FASB issued the following pronouncements, which each amend ASU 2014-09: ASU 2015-14 deferred the effective date of ASU 2014-09 from annual and interim periods beginning after December 15, 2016 to annual and interim periods beginning after December 15, 2017. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. With the issuance of ASU 2016-08 in March 2016, the FASB clarified the implementation guidance on principals versus agent considerations in FASB ASC 606. In April 2016, the FASB issued ASU 2016-10, which clarified implementation guidance on identifying performance obligations and licensing in FASB ASC 606. Other provisions of the guidance in FASB ASC 606 were also amended with the issuances of ASU 2016-12 in May 2016 and ASU 2016-20 in December 2016.

The update permits adoption using either a full retrospective approach, under which all years included in the financial statements will be presented under the revised guidance, or a modified retrospective approach, under which financial statements will be prepared under the revised guidance for the year of adoption, but not for prior years. Under the latter method, entities will recognize a cumulative adjustment to the opening balance of retained earnings for contracts that still require performance by the entity at the date of adoption. Management expects to adopt this update for the Company’s fiscal year beginning October 1, 2018. Management is in the early stages of assessing the amendments of this update to select a transition method and to determine the potential impact of adoption on its consolidated financial statements and disclosures.

Note 4—Business Acquisition

Pursuant to a purchase agreement, on September 22, 2017, the Company acquired the ongoing sand and gravel mining operations located in Etowah, Elmore and Autauga counties in Alabama in order to expand our aggregate production facilities. This acquisition has been accounted for as a business combination. Consideration paid to consummate the acquisition consisted of $10.8 million cash paid on the closing date. The Company also entered into a purchase commitment with the seller to purchase $3.1 million of inventory over the next two years.

Identifiable assets acquired and liabilities assumed were recorded at their estimated fair values based on the methodology described under *Fair Value Measurements* in Note 2. The excess of consideration paid over the net fair value of assets acquired and liabilities assumed in the amount of $0.6 million was recorded as goodwill. The

amount of consideration paid in excess of the fair value of net assets acquired is recorded as goodwill, which is deductible for income tax purposes. The following summarizes the provisional allocation of total consideration paid to the fair value of identifiable assets, subject to final adjustment (in thousands):

Inventory	$ 1,179
Quarry reserves	4,800
Land	1,746
Plant	1,247
Equipment	1,228
Goodwill	643
	$10,843

The results of operations associated with this acquisition are included in the consolidated financial statements since the acquisition date and were not material to the Consolidated Statements of Income. Pro forma results of operations as if the acquisition had been consummated on October 1, 2015 are not material to the Consolidated Statements of Income for the fiscal year ended September 30, 2016 or September 30, 2017.

Note 5—Contracts Receivable including Retainage, net

Contracts receivable including retainage, net are comprised of the following at September 30, 2016 and September 30, 2017 (in thousands):

	September 30,	
	2016	2017
Contracts receivable	$ 90,681	$109,538
Retainage	13,168	13,180
	103,849	122,718
Allowance for doubtful accounts	(1,039)	(1,734)
Contracts receivable including retainage, net	$102,810	$120,984

The following is a summary of changes in the allowance for doubtful accounts balance during the fiscal years ended September 30, 2016 and September 30, 2017 (in thousands):

	For the Fiscal Years Ended September 30,	
	2016	2017
Balance at beginning of period	$ 1,616	$1,039
Charged to bad debt expense	732	1,445
Write-off of contracts receivable including retainage	(1,309)	(750)
Balance at end of period	$ 1,039	$1,734

Retainage receivables have been billed but are not due until contract completion and acceptance by the customer.

Note 6—Costs and Estimated Earnings on Uncompleted Contracts

Costs and estimated earnings compared to billings on uncompleted contracts at September 30, 2016 and September 30, 2017 consist of the following (in thousands):

	September 30,	
	2016	2017
Costs on uncompleted contracts	$ 534,596	$ 489,661
Estimated earnings to date on uncompleted contracts	58,475	62,193
	593,071	551,854
Billings to date on uncompleted contracts	(612,513)	(579,370)
Net billings in excess of costs and estimated earnings on uncompleted contracts	$ (19,442)	$ (27,516)

Reconciliation of net billings in excess of costs and estimated earnings to amounts reflected on the Company's Consolidated Balance Sheet at September 30, 2016 and September 30, 2017 is follows (in thousands):

	September 30,	
	2016	2017
Costs and estimated earnings in excess of billings on uncompleted contracts	$ 7,446	$ 4,592
Billings in excess of costs and estimated earnings on uncompleted contracts	(26,888)	(32,108)
Net billings in excess of costs and estimated earnings on uncompleted contracts	$(19,442)	$(27,516)

Note 7—Property, Plant and Equipment

Property, plant and equipment at September 30, 2016 and September 30, 2017 consist of the following (in thousands):

	September 30,	
	2016	2017
Construction equipment	$ 150,675	$ 154,911
Asphalt plants	61,199	66,379
Land and improvements	15,835	20,991
Quarry reserves	2,419	7,219
Buildings	9,597	9,848
Furniture and fixtures	3,770	3,870
Leasehold improvements	407	765
Total property, plant and equipment, gross	243,902	263,983
Accumulated depreciation, depletion and amortization	(139,564)	(148,072)
Total property, plant and equipment, net	$ 104,338	$ 115,911

Depreciation, depletion and amortization expense related to property, plant and equipment for the fiscal years ended September 30, 2016 and September 30, 2017 was $21.1 million and $20.8 million, respectively.

Note 8—Goodwill and Other Intangible Assets

The following presents goodwill activity during the fiscal years ended September 30, 2016 and September 30, 2017 (in thousands):

Balance at September 30, 2015	$29,957
Balance at September 30, 2016	29,957
Additions	643
Balance at September 30, 2017	$30,600

A summary of other intangible assets at September 30, 2016 and September 30, 2017 is as follows (in thousands):

		September 30,					
		2016			2017		
	Useful Life (Years)	Gross	Accumulated Amortization	Net Book Value	Gross	Accumulated Amortization	Net Book Value
Indefinite-lived:							
License	Indefinite	$2,000	$ —	$2,000	$2,000	$ —	$2,000
Definite-lived:							
Non-compete agreements	5 years	1,500	(650)	850	1,500	(950)	550
Total Intangible Assets		$3,500	$(650)	$2,850	$3,500	$(950)	$2,550

Total amortization expense related to definite-lived intangible assets was $0.4 million and $0.3 million for the fiscal years ended September 30, 2016 and September 30, 2017, respectively.

Estimated future total amortization expense related to definite-lived intangible assets is as follows (in thousands):

Fiscal Year	Estimated Amortization Expense
2018	$300
2019	250
Thereafter	—
Total	$550

Note 9—Liabilities

Accrued expenses and other current liabilities

Accrued expenses and other current liabilities were comprised of the following at September 30, 2016 and September 30, 2017 (in thousands):

	September 30,	
	2016	2017
Accrued payroll and benefits	$10,357	$13,364
Treasury stock purchase obligation	3,000	2,569
Accrued insurance costs	2,457	1,198
Other current liabilities	1,717	2,905
Total accrued expenses and other current liabilities	$17,531	$20,036

Other long-term liabilities

Other long-term liabilities were comprised of the following at September 30, 2016 and September 30, 2017 (in thousands):

	September 30,	
	2016	2017
Treasury stock purchase obligation	$3,138	$ 569
Accrued insurance costs	3,205	3,796
Other	574	655
Total other long-term liabilities	$6,917	$5,020

Note 10—Debt

The Company maintains various credit facilities from time to time to finance acquisitions, the purchase of real estate, construction equipment, asphalt plants and other fixed assets, and for general working capital purposes. Debt at September 30, 2016 and September 30, 2017 consisted of the following (in thousands):

	September 30,	
	2016	2017
Long-term debt:		
Compass Term Loan	$ —	$ 47,500
Compass Revolving Credit Facility	—	10,000
CIT Credit Facility	38,774	—
Capitala Term Loan	12,500	—
Other long-term debt	6,866	—
Total long-term debt	58,140	57,500
Deferred debt issuance costs	(2,279)	(364)
Current maturities of long-term debt	(9,760)	(10,000)
Long-term debt, net of current maturities	$46,101	$ 47,136
Current maturities of debt:		
Current maturities of long-term debt	9,760	10,000
Revolving lines of credit	5,101	—
Total current maturities of debt	$14,861	$ 10,000

Compass Credit Agreement

On June 30, 2017, Construction Partners Holdings, Inc. ("Construction Partners Holdings"), the Company's wholly-owned subsidiary entered into a credit agreement with Compass Bank as Agent, Sole Lead Arranger and Sole Bookrunner (as amended, the "Compass Credit Agreement"), which provides for a $50.0 million term loan (the "Compass Term Loan") and a $30.0 million revolving credit facility (the "Compass Revolving Credit Facility"). The Compass Credit Agreement was used to refinance all existing long-term and short-term debt, as described below. The principal amount of the Compass Term Loan must be paid in quarterly installments of $2.5 million. All amounts borrowed under the Compass Credit Agreement mature on July 1, 2022.

Construction Partners Holdings' obligations under the Compass Credit Agreement are guaranteed by the Company and all of Construction Partners Holdings' direct and indirect subsidiaries and are secured by a first priority security interest in substantially all of the Company's assets.

Under the Compass Credit Agreement, borrowings can be designated as base rate loans or Euro-Dollar Loans. The interest rate on base rate loans fluctuates and is equal to (i) the highest of: (a) the rate of interest in effect for such day as publicly announced from time to time by the Agent as its "prime rate," (b) the federal funds rate plus 0.50% and (c) the quotient of the London Interbank Offered Rate ("LIBOR") for deposits in U.S. dollars as obtained from Reuter's, Bloomberg or another commercially available source designated by the Agent two Euro-Dollar Business Days (as defined in the Compass Credit Agreement) before the first day of the applicable interest period divided by 1.00 minus the Euro-Dollar Reserve Percentage (as defined in the Compass Credit Agreement) plus 1.0% for a one-month interest period, plus (ii) the applicable rate, which ranges from 2.0% to 2.25%. The interest rate for Euro-Dollar loans fluctuates and is equal to the sum of the applicable rate, which ranges from 2.0% to

2.25%, plus LIBOR for the interest period selected by the Agent. In order to economically hedge against changes in interest rates, on June 30, 2017, the Company entered into an interest rate swap agreement with a notional amount of $25.0 million, under which we pay a fixed percentage rate of 2.015% and receive a credit based on the applicable LIBOR rate. This swap agreement does not meet the criteria for hedge accounting treatment in accordance with GAAP. At September 30, 2017, the notional value of this interest rate swap agreement was $23.75 million and the fair value was $(0.2) million, which is included within other liabilities on the Consolidated Balance Sheet.

Construction Partners Holdings must pay a commitment fee of 0.35% per annum on the aggregate unused revolving commitments under the Compass Credit Agreement as well as fees with respect to any letters of credit issued under the Compass Credit Agreement.

The Compass Credit Agreement contains usual and customary negative covenants for agreements of this type, including, but not limited to, restrictions on Construction Partners Holdings' ability to make acquisitions, make loans or advances, make capital expenditures and investments, create or incur indebtedness, create liens, wind up or dissolve, consolidate, merge or liquidate, or sell, transfer or dispose of assets. The Compass Credit Agreement requires Construction Partners Holdings to satisfy certain financial covenants, including a minimum fixed charge coverage ratio of 1.20 to 1.00. The Compass Credit Agreement also requires us to maintain a maximum consolidated leverage ratio of 2:00 to 1.00, subject to certain adjustments as further described in the Compass Credit Agreement. The Compass Credit Agreement includes customary events of default, including, among other things, payment default, covenant default, breach of representation or warranty, bankruptcy, cross-default, material ERISA events, certain changes of control, material money judgments and failure to maintain subsidiary guarantees. The Compass Credit Agreement prevents Construction Partners Holdings from paying dividends or otherwise distributing cash to the Company unless, after giving effect to such dividend, Construction Partners Holdings would be in compliance with the financial covenants and, at the time any such dividend is made, no default or event of default exists or would result from the payment of such dividend. At September 30, 2017, the Company was in compliance with all covenants under the Compass Credit Agreement.

CIT Credit Facility (repaid in full and terminated June 30, 2017)

On December 12, 2014 the Company and its wholly-owned subsidiaries ("Borrowers") entered a credit agreement with a consortium of six financial institutions represented by CIT Finance LLC ("CIT") acting as Administrative Agent and Collateral Agent ("CIT Credit Facility"). The $76.0 million facility consisted of a $49.0 million term loan ("CIT Term Loan") and capacity for additional borrowings of $27.0 million to finance future purchases of certain fixed assets ("CapEx Facility"). In connection with incurring this debt, the Company recorded $2.3 million in deferred debt issuance costs, which are included in "Long-term debt, net of current maturities" in the Company's Consolidated Balance Sheet at September 30, 2016 and was amortized to interest expense over the original term of the facility. At June 30, 2017, the remaining unamortized balance of deferred debt issuance costs was recorded as a loss on extinguishment of debt upon repayment of the loan in conjunction with the refinancing described above.

Proceeds from the CapEx Facility were used to acquire Eligible Equipment as defined in the CIT Credit Facility. Borrowings are secured by equipment purchased, which is subject to periodic appraisal at the request of the Collateral Agent. The net cash proceeds received from the sale or disposition of any collateral shall be applied to repay the outstanding loan obligation. Under the terms of the agreement, borrowings under the CapEx Facility were converted to the CIT Term Loan balance on the last day of each quarter in which borrowings occurred.

The CIT Credit Facility bore interest at an annual rate of 3-months LIBOR plus 3.5% (4.34% at September 30, 2016) which was subject to (i) certain payment restrictions; and (ii) mandatory Prepayment provision if the

aggregate balance outstanding to any Borrower exceeds defined limits. Principal on the CIT Term Loan was payable quarterly at 3.125% of aggregate gross borrowings, with a final payment of the outstanding principal amount on December 12, 2019. The Company was permitted to repay the CIT Term Loan in any year. The CIT Credit Facility contained certain financial covenants including leverage ratio and fixed charge coverage ratio requirements, and restricted the Company's ability to, among other things: incur liens and encumbrances on equipment, incur further indebtedness, make dividend payments except under certain conditions or express waiver, dispose of a material portion of assets or merge with a third party, and make investments in securities.

On June 30, 2017, the Company repaid all outstanding principal and interest in the amount of $32.0 million and terminated the CIT Credit Facility. On that same date, unamortized deferred debt issuance costs in the amount of $1.0 million were charged to loss on extinguishment of debt.

Capitala Term Loan (repaid in full and terminated June 30, 2017)

On December 12, 2014, the Company and certain of its subsidiaries entered into a second lien credit agreement with Capitala Finance Corp., which provides for $12.5 million interest only term loan ("Capitala Term Loan"). In connection with incurring this debt, the Company recorded $1.4 million in deferred debt issuance costs, which were included in "Long-term debt, net of current maturities" in the Company's Consolidated Balance Sheet and amortized to interest expense over the term of the Capitala Term Loan.

The Capitala Term Loan bore interest at an annual rate of 11.5%, which was subject to certain restrictions. 100% of the outstanding principal amount was due on maturity on June 12, 2020. The Company was permitted to repay the Capitala Term Loan in any year, subject to a pre-payment fee for the first 24 months. The Capitala Term Loan contained certain financial covenants including leverage ratio and fixed charge coverage ratio requirements, and restricted the Company's ability to, among other things: incur liens and encumbrances on equipment, incur further indebtedness, make dividend payments except under certain conditions or express waiver, dispose of a material portion of assets or merge with a third party, and make investments in securities.

On June 30, 2017, the Company repaid all outstanding principal and interest in the amount of $12.6 million and terminated the Capitala Term Loan. On that same date, unamortized deferred debt issuance costs in the amount of $0.7 million were charged to loss on extinguishment of debt.

Other Debt (repaid in full and terminated June 30, 2017)

The Company's outstanding debt at September 30, 2016 included certain other term loans and revolving credit facilities. These loans were collateralized with the assets financed by the borrowings and include terms that vary for each facility, including interest rates ranging from 3.33% to 11.5% and maturities ranging from December 2016 through June 2020. The outstanding principal balance of these facilities at September 30, 2016 included $6.9 million under various term loan facilities and $5.1 million under various revolving lines of credit. Total borrowing capacity under the lines of credit was $16.5 million at September 30, 2016.

On June 30, 2017, the Company repaid all outstanding principal and interest under these loans in the amount of $10.1 million, and terminated all related agreements.

The scheduled contractual repayment terms of long-term debt at September 30, 2017 are as follows:

Fiscal Year	
2018	$10,000
2019	10,000
2020	10,000
2021	10,000
2022	17,500
Thereafter	—
Total	$57,500

Interest expense was $4.9 million and $4.1 million for the fiscal years ended September 30, 2016 and September 30, 2017, respectively. Amortization of deferred issuance costs included in interest expense was $0.9 million and $0.7 million for the fiscal years ended September 30, 2016 and September 30, 2017, respectively.

Note 11—Equity

At September 30, 2017, the Company had authorized for issuance 1,000,000 shares of preferred stock, par value $0.001. No preferred shares were issued and outstanding at September 30, 2017.

At September 30, 2017, the Company had authorized for issuance 5,000,000 shares of common stock, par value per share $0.001. In April 2016, the Company entered into an agreement to purchase 107,506 shares of the Company's stock from a former stockholder for an aggregate of $9.1 million. In connection with this agreement, the Company made payments of $3.0 million each in April 2016 and April 2017, and is obligated to make future payments of $2.5 million and $0.6 million in April 2018 and April 2019, respectively, which are reflected as accrued expenses and other current liabilities, and other long-term liabilities, respectively, on the Company's Consolidated Balance Sheet.

The following presents the Company's outstanding shares and treasury shares during the fiscal years ended September 30, 2016 and September 30, 2017 (dollars in thousands):

	Common Shares Outstanding	Treasury Shares	
		Shares	Cost
Outstanding, September 30, 2015	1,751,932	(33,289)	$ (3,695)
Treasury stock purchases	(107,506)	(107,506)	(9,138)
Issuance of treasury shares	2,498	2,498	212
Outstanding, September 30, 2016	1,646,924	(138,297)	(12,621)
Issuance of treasury shares	7,502	7,502	638
Outstanding, September 30, 2017	1,654,426	(130,795)	$(11,983)

On December 21, 2016, the Company's Board of Directors declared a special dividend to common shareholders of record as of the close of business on December 15, 2016 in the amount of $31.3 million ($19 per share). The dividend was paid from cash on hand on January 10, 2017. Management does not expect the Company to declare stock dividends in the foreseeable future; however, the Company's future dividend policy will depend upon earnings, financial condition, capital requirements and certain other factors, including terms of credit agreements that restrict the Company's ability to declare or pay dividends.

Note 12—Earnings per Share

The following summarizes the weighted-average number of basic and diluted common stock shares outstanding and the calculation of basic and diluted earnings per share for the fiscal years ended September 30, 2016 and September 30, 2017, respectively (dollars in thousands, except share and per share amounts):

	For the Fiscal Years Ended September 30,	
	2016	2017
Numerator		
Net income attributable to common shareholders	$ 22,022	$ 26,040
Denominator		
Weighted average number of common shares outstanding, basic and diluted	1,706,711	1,648,821
Net income per common share attributable to common shareholders, basic and diluted	$ 12.90	$ 15.79

There is no difference between basic and diluted earnings per share for the fiscal years ended September 30, 2016 or September 30, 2017. The Company had 38,017 and 30,515 common stock equivalents which were excluded from the calculation of diluted earnings per share for the fiscal years ended September 30, 2016 and September 30, 2017, respectively, since their inclusion would be anti-dilutive.

Note 13—Equity-based Compensation

2017 Options

On March 7, 2017, the Company granted to a certain employee options to purchase 2,960 shares of the Company's common stock with an exercise price of $1.00 per share and an expiration date of March 7, 2027. The options are classified as equity awards. The grant date fair value was $139.21, calculated using the Black-Scholes option pricing model applied to the following inputs.

Risk-free rate	2.04%
Expected term (in years)	5
Expected volatility	50%
Expected dividend yield	0%
Value of underlying stock	$140.11

These options vested 100% at the date of grant, and are exercisable only during a Change in Control Exercise Period as defined by the award. Unrecognized compensation expense in connection with these options at September 30, 2017 is $0.4 million. At September 30, 2017, all 2,960 options are outstanding and vested. None of these options are exercisable or have intrinsic value at September 30, 2017, since a change of control had not occurred through that date.

2016 Equity Incentive Plan

On August 22, 2016, the Company granted to certain employees options to purchase 10,000 shares of the Company's common stock with an exercise price of $85 per share and an expiration date of August 22, 2026. The

options are classified as equity awards. The grant date fair value was $73.02, calculated using the Black-Scholes option pricing model applied to the following inputs.

Risk-free rate	1.31%
Expected term (in years)	6
Expected volatility	50%
Expected dividend yield	0%
Value of underlying stock	$125.18

These options do not contain performance conditions or market conditions. The requisite service period is the vesting period in accordance with the following schedule:

Percent Vested	Vesting Date
25%	Grant Date, August 22, 2016
25%	March 15, 2017
25%	March 15, 2018
25%	March 15, 2019

During the fiscal year ended September 30, 2016, the Company recorded compensation expense in connection with these options in the amount of $0.2 million, which is reflected as general and administrative expense in the Company's Consolidated Statement of Income. On May 8, 2017, all options granted under the 2016 Equity Incentive Plan were modified to immediately vest all remaining unvested options outstanding. Accordingly, all remaining unrecognized compensation expense was recognized during that period. Total compensation expense recorded during the fiscal year ended September 30, 2017 in connection with these options was $0.5 million. At September 30, 2017, there was no unrecognized compensation expense related to unvested options.

The following is a summary of changes to the number of unvested options under the 2016 Equity Incentive Plan during the years ended September 30, 3016 and September 30, 2017:

Unvested options outstanding at September 30, 2015	—
Granted	10,000
Vested	(2,500)
Forfeited	—
Unvested options outstanding at September 30, 2016	7,500
Granted	—
Vested	(7,500)
Forfeited	—
Unvested options outstanding at September 30, 2017	—

The intrinsic value of options exercised during the fiscal years ended September 30, 2016 and September 30, 2017 was $0.1 million and $0.4 million, respectively. The intrinsic value of options outstanding at September 30, 2016 was $0.3 million. No options were outstanding under the 2016 Equity Incentive Plan at September 30, 2017.

The following is a summary of activity related to options under the 2016 Equity Incentive Plan during the years ended September 30, 2016 and September 30, 2017:

Outstanding, September 30, 2015	—
Granted	10,000
Exercised	(2,498)
Forfeited or expired	—
Outstanding, September 30, 2016	7,502
Granted	—
Exercised	(7,502)
Forfeited or expired	—
Outstanding, September 30, 2017	—

The Company received proceeds of $0.2 million and $0.6 million from option holders upon exercises during the fiscal years ended September 30, 2016 and September 30, 2017, respectively. Shares were issued from treasury shares.

2010 Non-Plan Stock Option Plan, as amended

In 2010, the Company granted certain employees options to purchase 30,515 shares of the Company's common stock with an exercise price of $143.60 per share. The options are classified as equity awards. No options have been exercised or forfeited, and all remain outstanding and exercisable at September 30, 2016 and September 30, 2017. The options had no intrinsic value at September 30, 2016 or September 30, 2017.

Note 14—Provision for Income Taxes

The Company files a consolidated U.S. income tax return and income tax returns in various states. Management evaluated the Company's tax positions based on appropriate provisions of applicable enacted tax laws and regulations and believes that they are supportable based on their specific technical merits and the facts and circumstances of the transactions.

The provision for income taxes for the fiscal years ended September 30, 2016 and September 30, 2017 consists of the following (in thousands):

	For the Fiscal Years Ended September 30,	
	2016	2017
Current		
U.S. Federal	$ 976	$11,977
State	1,418	1,900
Total current	2,394	13,877
Deferred		
U.S. Federal	9,813	711
State	(1,666)	154
Total deferred	8,147	865
Provision for income taxes	$10,541	$14,742

Differences exist between income and expenses reported on the consolidated financial statements and those deducted for U.S. Federal and state income tax reporting. The Company's deferred tax assets and liabilities are comprised of the following temporary difference tax effects at September 30, 2016 and September 30, 2017 (in thousands):

	September 30,	
	2016	2017
Deferred tax assets		
Allowance for bad debt	$ 705	$ 936
Amortization of finite-lived intangible assets	771	751
State net operating loss	2,073	1,928
Alternative minimum tax credit	696	—
Employee benefits	313	243
Accrued insurance claims	1,195	1,417
Other	627	506
Total deferred tax assets, net	6,380	5,781
Deferred tax liabilities		
Amortization of goodwill	(4,148)	(5,022)
Property, plant and equipment	(8,895)	(8,550)
Other	(263)	—
Total deferred tax liabilities, net	(13,306)	(13,572)
Net deferred tax assets (liabilities)	$ (6,926)	$ (7,791)

The Consolidated Balance Sheets at September 30, 2016 and September 30, 2017 includes gross deferred tax assets of $6.4 million and $5.8 million, respectively. In assessing the realization of deferred tax assets, management considers whether it is more likely than not that some or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets depends on the generation of future taxable income during the periods in which those temporary differences are deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected taxable income, and tax-planning strategies in making this assessment. Based on the weight of all evidence known and available as of the balance sheet date, management believes that these tax benefits are more likely than not to be realized in the future. To the extent management does not consider it more likely than not that a deferred tax asset will be recovered, a valuation allowance is established.

The Company had recorded a valuation allowance for 100% of the deferred tax benefit related to a Florida net operating loss carryforward. Due to the ongoing utilization of the Florida net operating loss carryforward in 2016, the Company's determination that it is more likely than not the net operating loss will be utilized prior to its expiration, and the Company no longer being in a cumulative three year tax loss position in Florida, the remaining $2.1 million allowance was eliminated at September 30, 2016.

Income taxes payable have been reduced by fuel tax credits of $0.4 million and $0.3 million for the fiscal years ended September 30, 2016 and September 30, 2017, respectively. The remaining amount of goodwill expected to be deductible for tax purposes was $17.0 million and $15.3 million at September 30, 2016 and September 30, 2017, respectively.

Following is a reconciliation of net deferred tax assets (liabilities) to amounts reflected on the Company's Consolidated Balance Sheets at September 30, 2016 and September 30, 2017 (in thousands):

	September 30,	
	2016	2017
Asset: Deferred income taxes, net	$ 2,012	$ 1,876
Liability: Deferred income taxes, net	(8,938)	(9,667)
Net deferred tax assets (liabilities)	$(6,926)	$(7,791)

At September 30, 2016 and September 30, 2017, the Company had a state net operating loss carryforward of $56.7 million and $52.5 million, respectively. The Company had a federal alternative minimum tax credit of $0.7 million at September 30, 2016 and no alternative minimal tax credit available at September 30, 2017. The Company did not have any state income tax credit carryforwards at September 30, 2016 or September 30, 2017. The state net operating loss credit carryforwards expire in varying amounts between the fiscal years ended September 30, 2020 and September 30, 2030.

The U.S. statutory tax rate applicable to the Company was 34.0% and 35.0% during the fiscal years ended September 30, 2016 and September 30, 2017, respectively. The following table reconciles income taxes based on the U.S. statutory tax rate to the Company's income before provision for income taxes for the fiscal years ended September 30, 2016 and September 30, 2017 (in thousands):

	For the Fiscal Years Ended September 30,	
	2016	2017
Provision for income tax at federal statutory rate	$11,071	$14,260
State income taxes	1,385	1,268
Reversal of state tax asset valuation allowance	(2,129)	—
Other	214	(786)
Provision for income taxes	$10,541	$14,742

Uncertain Tax Positions

Accounting Standards Codification ("ASC") 740, *Income Taxes* prescribes a recognition threshold and measurement model for the financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return and provides guidance on derecognition classification, interest and penalties, accounting in interim periods, disclosure and transition.

The Company is subject to tax audits in various jurisdictions in the U.S. Tax audits by their very nature are often complex. In the normal course of business, the Company is subject to challenges from the IRS and other tax authorities regarding amounts of taxes due. These challenges may alter the timing or amount of taxable income or deductions, or the allocation of income among tax jurisdictions. As part of the calculation of the provision for income taxes on earnings, management determines whether the benefits of the Company's tax positions are at least more likely than not to be sustained upon audit based on the technical merits of the tax position. For tax positions that are more likely than not to be sustained upon audit, management accrues the largest amount of the benefit that is more likely than not to be sustained. Such accruals require management to make estimates and judgments with respect to the ultimate outcome of a tax audit. Actual results could vary materially from these estimates. The Company performed an analysis of its tax positions and determined that no uncertain tax positions

exist. Accordingly, there was no liability for uncertain tax positions at September 30, 2016 or September 30, 2017. Based on the provisions of ASC 740, the Company had no material unrecognized tax benefits at September 30, 2016 or September 30, 2017. Due to the utilization of net operating loss carryforwards, the Company's federal income tax returns for fiscal years ended September 30, 2012 through September 30, 2017 are subject to examination. Various state income tax returns for fiscal years ended September 30, 2011 through September 30, 2017 are subject to examination.

Note 15—Employee Benefit Plans

Defined Contribution Plan

The Company offers a 401(k) retirement plan covering substantially all employees at least 21 years of age and with more than one year of service. The Company makes discretionary employer contributions, subject to IRS safe harbor rules. Employer contributions charged to earnings during the fiscal years ended September 30, 2016 and September 30, 2017 were $1.4 million and $1.8 million, respectively.

Note 16—Related Parties

On January 30, 2015, the Company entered into a master services subcontract with Austin Trucking, LLC ("Austin Trucking"), an entity owned by an immediate family member of a Senior Vice President of the Company. Pursuant to the agreement, Austin Trucking performs subcontract work for the Company, including trucking services. For these subcontract services, the Company incurred costs of approximately $11.0 million and $11.8 million during the fiscal years ended September 30, 2016 and September 30, 2017, respectively, which is included as cost of revenues on the Consolidated Statements of Income. At September 30, 2016 and September 30, 2017, the Company had $0.6 million and $1.0 million, respectively, due to Austin Trucking reflected as accounts payable on its Consolidated Balance Sheets.

From time to time, the Company provides construction services to various companies owned by a family member of a Senior Vice President of the Company. For these services the Company earned approximately $2.0 million and $6.3 million during the fiscal years ended September 30, 2016 and September 30, 2017, respectively, which is included as revenues on the Consolidated Statements of Income. At September 30, 2016 and September 30, 2017, the Company had $2.7 million and $5.3 million, respectively, due from these companies reflected as contracts receivable on its Consolidated Balance Sheets.

For periodic corporate events, the Company charters a boat from Deep South Adventures, LLC, which is owned by a Senior Vice President of the Company. The Company paid Deep South Adventures, LLC approximately $0.4 million and $0.3 million during the fiscal years ended September 30, 2016 and September 30, 2017, respectively, and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

On June 1, 2014, the Company entered into an access agreement with Island Pond Corporate Services, LLC ("Island Pond") regarding certain property owned by one of the Company's founders and the Chairman of the Board of Directors as well as Managing Partner of SunTx. Pursuant to the access agreement, Island Pond grants the Company the non-exclusive right to use that certain land located in Baker County, Georgia for the purposes of business development. Pursuant to the terms of this agreement, the Company paid Island Pond approximately $0.3 million during each of the fiscal years ended September 30, 2016 and September 30, 2017, and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

The Company rents vehicles from an entity owned by a family member of a Senior Vice President of the Company. The vehicles are rented on a month-to-month basis. The Company paid this entity approximately

$1.4 million and $1.2 million during the fiscal years ended September 30, 2016 and September 30, 2017, respectively and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

A family member of a Senior Vice President of the Company provides consulting services to the Company. For these consulting services, the Company paid approximately $0.2 million during each of the fiscal years ended September 30, 2016 and 2017 and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

A law firm owned by a family member of a Senior Vice President of the Company, provides legal services to the Company. For this legal work, the Company paid the law firm approximately $0.3 million during each of the fiscal years ended September 30, 2016 and September 30, 2017 and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

The Company leases office space for the Dothan, Alabama office from H&K, Ltd. ("H&K"), an entity partly owned by a Senior Vice President of the Company. The office space is leased through early 2020. Under the lease agreement, the Company pays a fixed minimum rent per month. Pursuant to the terms of the lease agreement, the Company paid H&K approximately $0.1 million during each of the fiscal years ended September 30, 2016 and September 30, 2017 and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

The Company leases office space for its Montgomery, Alabama office from H&A Properties LLC ("H&A"), an entity partially owned by two Senior Vice Presidents of the Company. The office space is leased through early 2020. Under the lease agreement, the Company pays a fixed minimum rent per month. Pursuant to the terms of the lease agreement, the Company paid H&A approximately $0.1 million during each of the fiscal years ended September 30, 2016 and September 30, 2017 and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

The Company is party to a management services agreement with SunTx under which the Company pays $0.25 million per fiscal quarter, as well as reimbursement of certain travel expenses. During each of the fiscal years ended September 30, 2016 and September 30, 2017, the Company incurred and paid a total of $1.3 million to SunTx related to such fees and expense reimbursements and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

Note 17—Commitments and Contingencies

Operating Leases

The Company leases office premises and equipment. Where leases contain escalation clauses or concessions, such as rent holidays and landlord/tenant incentives or allowances, the impact of such adjustment is recognized on a straight-line basis over the minimum lease period. Certain leases provide for renewal options and require the payment of real estate taxes or other occupancy costs, which are also subject to escalation clauses. Operating lease expense amounted to approximately $6.5 million and $9.1 million for the fiscal years ended September 30, 2016 and September 30, 2017, respectively, which is primarily included in cost of revenues in the Consolidated Statements of Income.

Future minimum obligations under non-cancelable operating leases at September 30, 2017 are as follows (in thousands):

Fiscal Year	
2018	$ 8,876
2019	6,793
2020	4,204
2021	1,914
2022	450
Thereafter	—
Total	$22,237

These amounts include obligations to related parties described in Note 16 of $0.2 million in each of fiscal years 2018 through 2019, and $0.1 million in fiscal year 2020.

Litigation, Claims, and Assessments

The Company, from time to time, is subject to various inquiries or audits by taxing authorities (income taxes or other) originating from its operations, covering a wide range of matters that arise in the ordinary course of business. Each of these matters is subject to various uncertainties, and it is possible that some of these matters may not be resolved in the Company's favor. The Company is also involved in other legal and administrative proceedings arising in the ordinary course of business. The outcomes of these inquiries and legal proceedings are not expected to have a material effect on the Company's financial position or results of operations on an individual basis, although adverse outcomes in a significant number of such ordinary course inquires and legal proceedings could, in the aggregate, have a material adverse effect on the Company's financial condition and results of operations.

Letters of Credit

During the fiscal year ended September 30, 2016, the Company had capacity of $9.0 million under credit facilities to obtain letters of credit in the normal course of business. Under the Compass Revolving Credit Facility entered into on June 30, 2017, the Company has a total capacity of $30.0 million which may be used for a combination of cash borrowings and letters of credit issuances. At September 30, 2016 and September 30, 2017, the Company had aggregate letters of credit outstanding in the amount of $7.6 million and $8.7 million respectively, primarily related to certain insurance policies as described in Note 2.

Note 18—Condensed Financial Statements of Registrant

CONSTRUCTION PARTNERS, INC.
PARENT COMPANY ONLY
CONDENSED BALANCE SHEETS
(in thousands, except share and per share data)

	September 30,	
	2016	2017
ASSETS		
Cash	$ 1,201	$ 1,330
Investment in subsidiaries	160,962	162,274
Due from subsidiaries	10,886	—
Other assets	943	2,196
Total assets	$173,992	$165,799
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Treasury stock purchase obligation	$ 3,000	$ 2,569
Due to subsidiaries	—	6,449
Other current liabilities	—	1,061
Total short-term liabilities	3,000	10,079
Long-term liabilities:		
Long-term debt	11,571	—
Due to subsidiaries	—	2,971
Treasury stock purchase obligation	3,138	569
Total long-term liabilities	14,709	3,540
Total liabilities	17,709	13,619
Stockholders' Equity		
Preferred stock, par value $0.001; 1,000,000 shares authorized and no shares issued and outstanding	—	—
Common stock, $.001 par value, 5,000,000 shares authorized, 1,785,221 issued and 1,646,924 and 1,654,426 outstanding at September 30, 2016 and September 30, 2017, respectively	2	2
Additional paid-in capital	141,915	142,428
Treasury stock, at cost	(12,621)	(11,983)
Retained earnings	26,987	21,733
Total stockholders' equity	156,283	152,180
Total liabilities and stockholders' equity	$173,992	$165,799

See note to condensed financial statements of parent company

CONSTRUCTION PARTNERS, INC.
PARENT COMPANY ONLY
CONDENSED STATEMENTS OF INCOME
(in thousands, except per share amounts)

	For the Fiscal Years Ended September 30,	
	2016	2017
Equity in net income of subsidiaries	$ 23,453	$ 28,312
Equity-based compensation expense	(217)	(513)
General and administrative expenses	(225)	(388)
Loss on extinguishment of debt	—	(714)
Interest expense	(1,739)	(1,338)
Income before provision for income taxes	21,272	25,359
Income tax benefit	750	681
Net income	$ 22,022	$ 26,040
Net income per share attributable to common stockholders:		
Basic and diluted	$ 12.90	$ 15.79
Weighted average number of common shares outstanding:		
Basic and diluted	1,706,711	1,648,821

See note to condensed financial statements of parent company

CONSTRUCTION PARTNERS, INC.
PARENT COMPANY ONLY
CONDENSED STATEMENTS OF CASH FLOWS
(in thousands)

	For the Fiscal Years Ended September 30,	
	2016	2017
Cash flows from operating activities:		
Net income	$ 22,022	$ 26,040
Adjustments to reconcile net income to net cash used in operating activities:		
Amortization of deferred debt issuance costs	286	216
Loss on extinguishment of debt	—	714
Deferred income taxes	797	350
Equity-based compensation expense	217	513
Equity in net income of subsidiaries	(23,453)	(28,312)
Changes in operating assets and liabilities:		
Other current liabilities	—	1,061
Other assets	(356)	(1,603)
Net cash used in operating activities	(487)	(1,021)
Cash flows from investing activities:		
Return of investments in subsidiaries	—	27,000
Net cash provided by investing activities	—	27,000
Cash flows from financing activities:		
Change in amounts due to (from) subsidiaries, net	1,371	20,305
Repayments of long-term debt	—	(12,500)
Payment of treasury stock purchase obligation	(3,000)	(3,000)
Proceeds from reissuance of treasury stock	212	638
Common stock dividend paid	—	(31,293)
Net cash used in financing activities	(1,417)	(25,850)
Net change in cash	(1,904)	129
Cash:		
Beginning of Period	3,105	1,201
End of Period	$ 1,201	$ 1,330

See note to condensed financial statements of parent company

Note to Condensed Financial Statements of Parent Company

These condensed parent company-only financial statements have been prepared in accordance with Rule 12-04, Schedule I of Regulation S-X, as the restricted net assets of the subsidiaries of Construction Partners (as defined in Rule 4-08(e)(3) of Regulation S-X) exceed 25% of the consolidated net assets of the Company. The ability of Construction Partners, Inc.'s operating subsidiaries to pay dividends is restricted by the terms of the credit facilities described in Note 9.

These condensed parent company financial statements have been prepared using the same accounting principles and policies described in the notes to the consolidated financial statements, with the only exception being that the parent company accounts for its subsidiaries using the equity method. These condensed financial statements should be read in conjunction with the consolidated financial statements and related notes thereto. On September 20, 2017, the Company changed its name from SunTx CPI Growth Company, Inc. to Construction Partners, Inc.

Note 19—Subsequent Events

The Company has evaluated subsequent events from the September 30, 2017 balance sheet date through December 20, 2017, the date at which the consolidated financial statements were available to be issued, and determined that there were no other material items to disclose.

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	September 30, 2017	December 31, 2017 (unaudited)
ASSETS		
Current assets:		
Cash	$ 27,547	$ 30,219
Contracts receivable including retainage, net	120,984	94,489
Costs and estimated earnings in excess of billings on uncompleted contracts	4,592	6,996
Inventories	17,487	18,193
Other current assets	4,520	7,414
Total current assets	175,130	157,311
Property, plant and equipment, net	115,911	118,638
Goodwill	30,600	30,600
Intangible assets, net	2,550	2,475
Other assets	2,483	4,666
Deferred income taxes, net	1,876	2,235
Total assets	$328,550	$315,925
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 52,402	$ 41,036
Billings in excess of costs and estimated earnings on uncompleted contracts	32,108	36,586
Current maturities of debt	10,000	10,000
Accrued expenses and other current liabilities	20,036	13,900
Total current liabilities	114,546	101,522
Long-term liabilities:		
Long-term debt, net of current maturities	47,136	39,655
Deferred income taxes, net	9,667	6,556
Other long-term liabilities	5,020	5,015
Total long-term liabilities	61,823	51,226
Total liabilities	176,369	152,748
Commitments and contingencies		
Stockholders' Equity		
Preferred stock, par value $0.001; 1,000,000 shares authorized and no shares issued and outstanding	—	—
Common stock, $.001 par value, 5,000,000 shares authorized, 1,785,221 issued and 1,654,426 outstanding	2	2
Additional paid-in capital	142,428	142,428
Treasury stock, at cost	(11,983)	(11,983)
Retained earnings	21,734	32,730
Total stockholders' equity	152,181	163,177
Total liabilities and stockholders' equity	$328,550	$315,925

The accompanying notes are an integral part of these consolidated financial statements

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED STATEMENTS OF INCOME
(unaudited in thousands, except share and per share data)

	For the Three Months Ended December 31,	
	2016	2017
Revenues	$ 122,120	$ 150,421
Cost of revenues	103,391	127,623
Gross profit	18,729	22,798
General and administrative expenses	(10,563)	(12,426)
Gain on sale of equipment, net	254	145
Operating income	8,420	10,517
Interest expense, net	(1,047)	(297)
Other expense	(26)	(21)
Income before provision (benefit) for income taxes	7,347	10,199
Provision (benefit) for income taxes	2,786	(797)
Net income	$ 4,561	$ 10,996
Net income per share attributable to common stockholders:		
Basic and diluted	$ 2.77	$ 6.65
Weighted average number of common shares outstanding:		
Basic and diluted	1,646,924	1,654,426

The accompanying notes are an integral part of these consolidated financial statements

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(in thousands, except share data)

	Common Stock		Additional Paid-in Capital	Treasury Stock	Retained Earnings	Total Stockholders' Equity
	Shares	Amount				
Balance, September 30, 2017	1,785,221	$ 2	$142,428	$(11,983)	$21,734	$152,181
Net income	—	—	—	—	10,996	10,996
Balance, December 31, 2017 (unaudited)	**1,785,221**	**$ 2**	**$142,428**	**$(11,983)**	**$32,730**	**$163,177**

The accompanying notes are an integral part of these consolidated financial statements

CONSTRUCTION PARTNERS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in thousands)

	For the Three Months Ended December 31,	
	2016	2017
Cash flows from operating activities:		
Net income	$ 4,561	$ 10,996
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization of long-lived assets	5,222	5,675
Amortization of deferred debt issuance costs	174	19
Provision for bad debt	145	145
Gain on sale of equipment, net	(254)	(145)
Equity-based compensation expense	82	—
Deferred income taxes	23	(3,470)
Changes in operating assets and liabilities:		
Contracts receivable including retainage, net	30,979	25,479
Costs and estimated earnings in excess of billings on uncompleted contracts	(1,274)	(2,466)
Inventories	(1,230)	(706)
Other current assets	(2,964)	(2,600)
Other assets	(1,106)	(549)
Accounts payable	(13,364)	(11,268)
Billings in excess of costs and estimated earnings on uncompleted contracts	1,296	4,599
Accrued expenses and other current liabilities	(4,044)	(6,214)
Other long-term liabilities	521	(5)
Net cash provided by operating activities	18,767	19,490
Cash flows from investing activities:		
Purchases of property, plant and equipment	(7,630)	(9,509)
Proceeds from sale of equipment	352	191
Net cash used in investing activities	(7,278)	(9,318)
Cash flows from financing activities:		
Repayments of revolving credit facility	—	(5,000)
Repayments of long-term debt	(2,810)	(2,500)
Net cash used in financing activities	(2,810)	(7,500)
Net change in cash	8,679	2,672
Cash:		
Beginning of Period	51,085	27,547
End of Period	$ 59,764	$ 30,219
Supplemental cash flow information:		
Cash paid for interest	$ 974	$ 489
Cash paid for income taxes	$ 100	$ 916
Non-cash items:		
Dividend declared not paid	$ 31,293	$ —
Notes receivable in connection with sale of subsidiary (Note 9)	$ —	$ 1,930

The accompanying notes are an integral part of these consolidated financial statements

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Note 1—General

Business Description

Construction Partners, Inc. (the "Company") is a leading infrastructure and road construction company operating in Alabama, Florida, Georgia, South Carolina and North Carolina through its wholly-owned subsidiaries. The Company provides site development, paving, utility and drainage systems, as well as hot mix asphalt supply. The Company executes projects for a mix of private, municipal, state, and federal customers that are both privately and publicly funded. The majority of the work is performed under fixed unit price contracts and, to a lesser extent, fixed total price contracts.

The Company was formed as a Delaware corporation in 2007 as a holding company for its wholly-owned subsidiary, Construction Partners Holdings, Inc., a Delaware corporation incorporated in 1999 and which began operations in 2001 to execute an acquisition growth strategy in the hot mix asphalt paving and construction industry. SunTx Capital Partners ("SunTx"), a private equity firm based in Dallas, Texas, is the Company's majority investor and has owned a controlling interest in the Company's stock since its inception. On September 20, 2017, the Company changed its name from SunTx CPI Growth Company, Inc. to Construction Partners, Inc.

Seasonality

The use and consumption of our products and services fluctuate due to seasonality. Our products are used, and our construction operations and production facilities are located, outdoors. Therefore, seasonal changes and other weather-related conditions, in particular extended rainy and cold weather in the spring and fall and major weather events, such as hurricanes, tornadoes, tropical storms and heavy snows, can adversely affect our business and operations through a decline in both the use of our products and demand for our services. In addition, construction materials production and shipment levels follow activity in the construction industry, which typically occurs in the spring, summer and fall. Warmer and drier weather during the third and fourth quarters of our fiscal year typically result in higher activity and revenues during those quarters. The first and second quarters of our fiscal year typically have lower levels of activity due to adverse weather conditions. The results of operations and cash flows for any fiscal quarter may not be indicative of future results or of the results of operations or cash flows for a full fiscal year. These interim consolidated financial statements should be read in conjunction with our audited consolidated financial statements and related notes thereto for the year ended September 30, 2017.

Note 2—Significant Accounting Policies

Basis of Presentation

The consolidated financial statements include the accounts of Construction Partners, Inc. and its wholly-owned subsidiaries. Intercompany accounts and transactions have been eliminated in consolidation. These interim consolidated statements have been prepared pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"), which permit reduced disclosure for interim periods. The Consolidated Balance Sheet as of September 30, 2017 was derived from audited financial statements for the year then ended, but does not include all necessary disclosures required by accounting principles generally accepted in the United States of America ("U.S. GAAP") with respect to annual financial statements. In the opinion of management, the unaudited consolidated financial statements include all recurring adjustments and normal accruals necessary for a fair presentation of the Company's financial position, results of operations and cash flows for the dates and periods presented. These financial statements and accompanying notes should be read in conjunction with the Company's

audited annual consolidated financial statements for the year ended September 30, 2017 and notes thereto. Results for interim periods are not necessarily indicative of the results to be expected for a full fiscal year or for any future period.

Management's Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the recorded amounts of assets, liabilities, stockholders' equity, revenues and expenses during the reporting period, and the disclosure of contingent liabilities at the date of the financial statements. Estimates are used in accounting for items such as recognition of revenues and cost of revenues, goodwill and other intangible assets, allowance for doubtful accounts, valuation allowances related to income taxes, accruals for potential liabilities related to lawsuits or insurance claims, and the fair value of equity-based compensation awards. Estimates are continually evaluated based on historical information and actual experience; however, actual results could differ from these estimates. Actual results could differ materially from those estimates.

A description of certain critical accounting policies of the Company is presented below. Additional critical accounting policies and the underlying judgments and uncertainties are described in the notes to the Company's annual consolidated financial statements for the fiscal year ended September 30, 2017.

Emerging Growth Company

Construction Partners, Inc. is an "emerging growth company" as defined by the Jumpstart Our Business Startups Act, or "JOBS Act" enacted in April 2012. As an emerging growth company, the Company may take advantage of an exemption from being required to comply with new or revised financial accounting standards until the effective date of such standards is applicable to private companies. The JOBS Act provides that a company may elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies, but any such election to opt out is irrevocable. The Company has elected to opt out of such extended transition period, which means that when a standard is issued or revised and it has different effective dates for public and private companies, the Company is required to adopt the new or revised standard at the effective date applicable to public companies that are not emerging growth companies.

Contracts Receivable Including Retainage, net

Contracts receivable including retainage are generally based on amounts billed and currently due from customers, amounts currently due but unbilled, and amounts retained by the customer pending completion of a project. It is common in the Company's industry for a small portion of progress billings or the contract price, typically 10%, to be withheld by the customer until the Company completes a project to the satisfaction of the customer in accordance with contract terms. Such amounts are also included as contracts receivable including retainage, net. Based on the Company's experience with similar contracts in recent years, billings for such retainage balances are generally collected within one year of the completion of the project.

The carrying value of contracts receivable including retainage, net of the allowance for doubtful accounts, represents their estimated net realizable value. Management provides for uncollectible accounts through a charge to earnings and a credit to the allowance for doubtful accounts based on its assessment of the current status of individual accounts, type of service performed, and current economic conditions. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and an adjustment of the contract receivable.

Costs and Estimated Earnings on Uncompleted Contracts

Billing practices for the Company's contracts are governed by the contract terms of each project based on progress toward completion approved by the owner, achievement of milestones or pre-agreed schedules. Billings do not necessarily correlate with revenues recognized under the percentage-of-completion method of accounting. The Company records current assets and current liabilities to account for these differences in timing.

The current asset, "Costs and estimated earnings in excess of billings on uncompleted contracts," represents revenues that have been recognized in amounts which have not been billed under the terms of the contracts. Included in costs and estimated earnings in excess of billings on uncompleted contracts are amounts the Company seeks or will seek to collect from customers or others for errors, changes in contract specifications or design, contract change orders in dispute, unapproved as to scope and price, or other customer related causes of unanticipated additional contract costs (claims and unapproved change orders). Such amounts are recorded at estimated net realizable value when realization is probable and can be reasonably estimated. Claims and unapproved change orders made by the Company may involve negotiation and, in rare cases, litigation. Unapproved change orders and claims also involve the use of estimates, and revenues associated with unapproved change orders and claims are included when realization is probable and amounts can be reliably determined. The Company did not recognize any material amounts associated with claims and unapproved change orders during the periods presented.

The current liability, "Billings in excess of costs and estimated earnings on uncompleted contracts," represents billings to customers in excess of revenues recognized.

Concentration of Risks

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of contracts receivable including retainage. In the normal course of business, the Company provides credit to its customers and does not generally require collateral. Concentrations of credit risk associated with these receivables are monitored on an ongoing basis. The Company has not historically experienced significant credit losses due primarily to management's assessment of customers' credit ratings. The Company principally deals with recurring customers, state and local governments and well-known local companies whose reputations are known to the Company. Credit checks are performed for significant new customers. Progress payments are generally required for significant projects. The Company generally has the ability to file liens against the property if payments are not made on a timely basis. No customer accounted for more than 10% of the Company's contracts receivable including retainage, net balance at September 30, 2017 or December 31, 2017.

Projects performed for various Departments of Transportation accounted for 36.8% and 37.3% of consolidated revenues for the three months ended December 31, 2016 and December 31, 2017, respectively. Two customers accounted for more than 10% of consolidated revenues for the three months ended December 31, 2016 and December 31, 2017, as follows:

	% of Consolidated Revenues for the Three Months Ended December 31,	
	2016	2017
Alabama Department of Transportation	13.7%	13.2%
North Carolina Department of Transportation	11.0%	13.2%

Revenues and Cost Recognition

Revenues from the Company's contracts are recognized on the percentage-of-completion method, measured by the relationship of total cost incurred to total estimated contract costs (cost-to-cost method). Changes in job performance, job conditions, and estimated profitability, including those arising from contract penalty provisions and final contract settlements, may result in favorable or unfavorable revisions to estimated costs, revenues and gross profit, and are recognized in the period in which the revisions are determined.

The accuracy of revenues and cost of revenues reported on the consolidated financial statements depends on, among other things, management's estimates of total costs to complete projects. The Company maintains reasonable estimates based on management's experience; however, many factors contribute to changes in estimates of contract costs. Accordingly, estimates made with respect to uncompleted projects are subject to change as each project progresses and better estimates of contract costs become available. All contract costs are recorded as incurred and revisions to estimated total costs are reflected as soon as the obligation to perform is determined. Provisions are recognized for the full amount of estimated losses on uncompleted contracts whenever evidence indicates that the estimated total cost of a contract exceeds its estimated total revenue, regardless of the stage of completion. When the Company incurs additional costs related to work performed by subcontractors, the Company may have contractual provisions to back charge the subcontractors for those costs. A reduction to costs related to back charges is recognized when the estimated recovery is probable and the amount can be reasonably estimated.

Contract costs include direct labor and material, subcontractors, direct overhead costs and equipment costs (primarily depreciation, fuel, maintenance and repairs).

Income Taxes

The provision for income taxes includes federal and state income taxes. Income taxes are accounted for under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement carrying values and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which the temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Management evaluates the realization of deferred tax assets and establishes a valuation allowance when it is more likely than not that all or a portion of the deferred tax assets will not be realized. Deferred tax assets and deferred tax liabilities are presented net by taxing authority and classified as non-current on the Company's Consolidated Balance Sheet.

The Company's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

Equity Issuance Costs

The Company capitalizes certain third-party fees that are directly associated with in-process equity offerings. At December 31, 2017, $2.9 million of capitalized equity issuance costs are recorded as prepaid expenses, included in other current assets on the Consolidated Balance Sheet.

Note 3—Contracts Receivable including Retainage, net

Contracts receivable including retainage, net are comprised of the following at September 30, 2017 and December 31, 2017 (in thousands):

	September 30, 2017	December 31, 2017 (unaudited)
Contracts receivable	$109,538	$81,974
Retainage	13,180	13,700
	122,718	95,674
Allowance for doubtful accounts	(1,734)	(1,185)
Contracts receivable including retainage, net	$120,984	$94,489

Retainage receivables have been billed, but are not due until contract completion and acceptance by the customer.

Note 4—Costs and Estimated Earnings on Uncompleted Contracts

Costs and estimated earnings compared to billings on uncompleted contracts at September 30, 2017 and December 31, 2017 consist of the following (in thousands):

	September 30, 2017	December 31, 2017 (unaudited)
Costs on uncompleted contracts	$ 489,661	$ 540,038
Estimated earnings to date on uncompleted contracts	62,193	68,742
	551,854	608,780
Billings to date on uncompleted contracts	(579,370)	(638,370)
Net billings in excess of costs and estimated earnings on uncompleted contracts	$ (27,516)	$ (29,590)

Reconciliation of net billings in excess of costs and estimated earnings to amounts reflected on the Company's Consolidated Balance Sheet at September 31, 2017 and December 31, 2017 is follows (in thousands):

	September 30, 2017	December 31, 2017 (unaudited)
Costs and estimated earnings in excess of billings on uncompleted contracts	$ 4,592	$ 6,996
Billings in excess of costs and estimated earnings on uncompleted contracts	(32,108)	(36,586)
Net billings in excess of costs and estimated earnings on uncompleted contracts	$(27,516)	$(29,590)

Note 5—Debt

The Company maintains various credit facilities from time to time to finance acquisitions, the purchase of real estate, construction equipment, asphalt plants and other fixed assets, and for general working capital purposes. Debt at September 30, 2017 and December 31, 2017 consisted of the following (in thousands):

	September 30, 2017	December 31, 2017 (unaudited)
Long-term debt:		
Compass Term Loan	$ 47,500	$ 45,000
Compass Revolving Credit Facility	10,000	5,000
Total long-term debt	57,500	50,000
Deferred debt issuance costs	(364)	(345)
Current maturities of long-term debt	(10,000)	(10,000)
Long-term debt, net of current maturities	$ 47,136	$ 39,655
Current maturities of debt:		
Current maturities of long-term debt	10,000	10,000
Total current maturities of debt	$ 10,000	$ 10,000

Note 6—Equity

On December 21, 2016, the Company's Board of Directors declared a special dividend to common shareholders of record as of the close of business on December 15, 2016 in the amount of $31.3 million ($19 per share). The dividend was paid from cash on hand on January 10, 2017. Management does not expect the Company to declare stock dividends in the foreseeable future; however, the Company's future dividend policy will depend upon earnings, financial condition, capital requirements and certain other factors, including terms of credit agreements that restrict the Company's ability to declare or pay dividends.

Note 7—Earnings per Share

There is no difference between basic and diluted earnings per share for the three months ended December 31, 2016 or December 31, 2017. The Company had 38,017 and 30,515 common stock equivalents which were excluded from the calculation of diluted earnings per share for the three months ended December 31, 2016 and December 31, 2017, respectively, since their inclusion would be anti-dilutive.

Note 8—Provision (benefit) for Income Taxes

The Company recorded income tax expense of $2.8 million during the three months ended December 31, 2016 and an income tax benefit of $0.8 million during the three months ended December 31, 2017.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation known as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act includes broad and complex changes to the U.S. tax code, including a reduction in the U.S. federal corporate tax rate from 35% to 21% effective January 1, 2018. For the year ended September 30, 2018, the Company will record its income tax provision based on a blended U.S. statutory tax rate of 24.5%, which is based on a proration of the applicable tax rates before and after the effective date of the Tax

Act, and the effect of applicable state income taxes. The statutory rate of 21% will apply for fiscal years beginning after September 30, 2018.

During the three months ended December 31, 2017, the Company recorded a provisional discrete tax benefit of $3.5 million related to the Tax Act, primarily due to adjusting its U.S. deferred tax liabilities by the same amount, reflecting the reduction in the U.S. federal corporate tax rate. This net reduction in deferred tax liabilities also included the estimated impact on the Company's net state deferred tax assets.

The Company's effective tax rate for the three months ended December 31, 2016 and December 31, 2017 was 37.9% and (7.9%), respectively. The effective tax rate for the three months ended December 31, 2017 is lower than the comparable prior year period primarily due to the benefit of a tax credit recorded during the three months ended December 31, 2017 related to the enactment of the Tax Act, and the change in the federal corporate tax rate from 35% to 21%.

For various reasons, the Company has not completed its accounting for the income tax effects of certain elements of the Tax Act. In regards to the reduction in the U.S. corporate tax rate, the Company is continuing to analyze the temporary differences that existed on the date of the enactment and the temporary differences originating in the current fiscal year. The Company expects to complete its analysis of the accounting guidance related to the Tax Act and its evaluation of the impacts of the Tax Act by September 30, 2018.

Note 9—Related Parties

On December 31, 2017, the Company sold a wholly-owned subsidiary to an immediate family member of a Senior Vice President of the Company in consideration for a note receivable in the amount of $1.0 million, which approximated net book value of the disposed entity. In connection with this transaction, the Company also received a note receivable on December 31, 2017 in the amount of $0.9 million representing certain accounts payable of the disposed subsidiary that were paid by the Company. Principal and interest payments are scheduled to be made in periodic installments from January 2018 through December 2023.

On January 30, 2015, the Company entered into a master services subcontract with Austin Trucking, LLC ("Austin Trucking"), an entity owned by an immediate family member of a Senior Vice President of the Company. Pursuant to the agreement, Austin Trucking performs subcontract work for the Company, including trucking services. For these subcontract services, the Company incurred costs of approximately $2.9 million during each of the three months ended December 31, 2016 and December 31, 2017, which is included as cost of revenues on the Consolidated Statements of Income. At September 30, 2017 and December 31, 2017, the Company had $1.0 million and $0.4 million, respectively, due to Austin Trucking reflected as accounts payable on its Consolidated Balance Sheets.

From time to time, the Company provides construction services to various companies owned by a family member of a Senior Vice President of the Company. For these services the Company earned approximately $1.1 million and $1.3 million during the three months ended December 31, 2016 and December 31, 2017, respectively, which is included as revenues on the Consolidated Statements of Income. At September 30, 2017 and December 31, 2017, the Company had $5.3 million and $6.3 million, respectively, due from these companies reflected as contracts receivable including retainage, net on its Consolidated Balance Sheets.

The Company is party to a management services agreement with SunTx under which the Company pays $0.25 million per fiscal quarter, as well as reimbursement of certain travel expenses. During each of the three months ended December 31, 2016 and December 31, 2017, the Company incurred and paid a total of $0.3 million

to SunTx related to such fees and expense reimbursements and recognized the cost as general and administrative expenses on its Consolidated Statements of Income.

In the normal course of business, the Company maintains relationships and engages in transactions with other related parties. Transaction amounts during the three months ended December 31, 2016 and December 31, 2017 are not material to the Consolidated Statements of Income or to cash flows for those periods. Amounts due to or from such related parties are not material to the Company's Consolidated Balance Sheet at December 31, 2017. The nature of these relationships and transactions are described in Note 16 to the Company's audited consolidated financial statements for the year ended September 30, 2017.

Note 10—Subsequent Events

The Company has evaluated subsequent events from the December 31, 2017 balance sheet date through February 21, 2018, the date at which the consolidated financial statements were available to be issued, and determined that there were no other material items to disclose.

Class A Common Stock

Shares

Construction Partners, Inc.

PROSPECTUS

Baird Raymond James Stephens Inc.

Imperial Capital

D.A. Davidson & Co.

Through and including , 2018 (the 25th day after the hereof), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

, 2018

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. ***Other Expenses of Issuance and Distribution.***

The following table sets forth the fees and expenses in connection with the issuance and distribution of Class A common stock being registered hereunder (other than underwriting discounts and commissions). Except for the SEC registration fee and FINRA filing fee, all amounts are estimates.

SEC registration fee	$25,771.50*
FINRA filing fee	31,550.00*
Stock exchange listing fee	*
Accounting fees and expenses	*
Legal fees and expenses	*
Printing and engraving expenses	*
Transfer Agent and Registrar fees and expenses	*
Miscellaneous expenses	*
Total	$ *

* To be completed by amendment.

Item 14. ***Indemnification of Directors and Officers.***

Limitation of Liability

Section 102(b)(7) of the Delaware General Corporation Law (the "DGCL") permits a corporation, in its certificate of incorporation, to limit or eliminate, subject to certain statutory limitations, the liability of directors to the corporation or its stockholders for monetary damages for breaches of fiduciary duty, except for liability:

- for any breach of the director's duty of loyalty to the corporation or its stockholders;
- for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- in respect of certain unlawful dividend payments or stock redemptions or repurchases; and
- for any transaction from which the director derives an improper personal benefit.

In accordance with Section 102(b)(7) of the DGCL, the amended and restated certificate of incorporation (the "Certificate") of Construction Partners, Inc. (the "Registrant") will provide that no director shall be personally liable to the Registrant or any of its stockholders for monetary damages resulting from breaches of their fiduciary duty as directors, except to the extent such limitation on or exemption from liability is not permitted under the DGCL or any other law of the State of Delaware. The effect of this provision is to eliminate the rights of the Registrant and its stockholders (through stockholders' derivative suits on the Registrant's behalf) to recover monetary damages against a director for breach of the fiduciary duty of care as a director, including breaches resulting from negligent or grossly negligent behavior, except as restricted by Section 102(b)(7) of the DGCL. However, this provision will not limit or eliminate the rights of the Registrant or its stockholders to seek non-monetary relief, such as an injunction or rescission, in the event of a breach of a director's duty of care.

If the DGCL or any other law of the State of Delaware is amended to authorize corporate action further eliminating or limiting the liability of directors, then, in accordance with the Certificate, the liability of the Registrant's directors

to the Registrant or its stockholders will be eliminated or limited to the fullest extent authorized by the DGCL or any other law of the State of Delaware, as so amended. Any repeal or amendment of provisions of the Certificate limiting or eliminating the liability of directors, whether by the Registrant's stockholders or by changes in law, or the adoption of any other provisions inconsistent therewith, will (unless otherwise required by law) be prospective only, except to the extent such amendment or change in law permits the Registrant to further limit or eliminate the liability of directors on a retroactive basis.

Indemnification

Section 145 of the DGCL permits a corporation, under specified circumstances, to indemnify its directors, officers, employees or agents against expenses (including attorneys' fees), judgments, fines and amounts paid in settlements actually and reasonably incurred by them in connection with any action, suit or proceeding by reason of the fact that they were or are directors, officers, employees or agents of the corporation, if such directors, officers, employees or agents acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reason to believe their conduct was unlawful. In a derivative action or suit (i.e., one by or in the right of the corporation), indemnification may be made only for expenses actually and reasonably incurred by directors, officers, employees or agents in connection with the defense or settlement of an action or suit, and only with respect to a matter as to which they shall have acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made if such person shall have been adjudged liable to the corporation, unless and only to the extent that the court in which the action or suit was brought shall determine upon application that the defendant directors, officers, employees or agents are fairly and reasonably entitled to indemnity for such expenses despite such adjudication of liability.

The Certificate will provide that the Registrant will, to the fullest extent authorized or permitted by applicable law, indemnify its current and former directors and officers, as well as those persons who, while directors or officers of the Registrant, are or were serving as directors, officers, employees or agents of another entity, trust or other enterprise, including service with respect to an employee benefit plan, in connection with any threatened, pending or completed proceeding, whether civil, criminal, administrative or investigative, against all expenses, liability and loss (including, without limitation, attorney's fees, judgments, fines, ERISA excise taxes and penalties and amounts paid in settlement) reasonably incurred or suffered by any such person in connection with any such proceeding. Notwithstanding the foregoing, a person eligible for indemnification pursuant to the Certificate will be indemnified by the Registrant in connection with a proceeding initiated by such person only if such proceeding was authorized by the Registrant's board of directors, except for proceedings to enforce rights to indemnification.

The right to indemnification to be conferred by the Certificate is a contractual right that includes the right to be paid by the Registrant the expenses incurred in defending or otherwise participating in any proceeding referenced above in advance of its final disposition, provided, however, that if the DGCL requires, an advancement of expenses will be made only upon delivery to us of an undertaking, by or on behalf of any person covered by the Certificate, to repay all amounts so advanced if it is ultimately determined that such person is not entitled to be indemnified for such expenses under the Certificate or otherwise.

The rights to indemnification and advancement of expenses will not be deemed exclusive of any other rights which any person covered by the Certificate may have or hereafter acquire under law, the Certificate, the amended and restated bylaws of the Registrant (the "Bylaws"), an agreement, vote of stockholders or disinterested directors, or otherwise.

Any repeal or amendment of provisions of the Certificate affecting indemnification rights, whether by the Registrant's stockholders or by changes in law, or the adoption of any other provisions inconsistent therewith, will

(to the extent permitted by applicable law) be prospective only, except to the extent such amendment or change in law permits the Registrant to provide broader indemnification rights on a retroactive basis, and will not in any way diminish or adversely affect any right or protection existing at the time of such repeal or amendment or adoption of such inconsistent provision with respect to any act or omission occurring prior to such repeal or amendment or adoption of such inconsistent provision. The Certificate will also permit the Registrant, to the extent and in the manner authorized or permitted by law, to indemnify and to advance expenses to persons other than those specifically covered by the Certificate.

The Bylaws will include provisions relating to advancement of expenses and indemnification rights consistent with those set forth in the Certificate. In addition, the Bylaws will provide for a right of indemnitee to bring a suit in the event a claim for indemnification or advancement of expenses is not paid in full by the Registrant within a specified period of time. The Bylaws will also permit the Registrant to purchase and maintain insurance, at its expense, to protect the Registrant and/or any of its directors, officers, employees or agents, or another entity, trust or other enterprise, against any expense, liability or loss, whether or not the Registrant would have the power to indemnify such person against such expense, liability or loss under the DGCL.

Any repeal or amendment of provisions of the Bylaws affecting indemnification rights, whether by the Registrant's board of directors, stockholders or by changes in applicable law, or the adoption of any other provisions inconsistent therewith, will (unless otherwise required by law) be prospective only, except to the extent such amendment or change in law permits the Registrant to provide broader indemnification rights on a retroactive basis, and will not in any way diminish or adversely affect any right or protection existing thereunder with respect to any act or omission occurring prior to such repeal or amendment or adoption of such inconsistent provision.

The Registrant will enter into indemnification agreements with each of its current directors and executive officers. These agreements will require the Registrant to indemnify these individuals to the fullest extent permitted under Delaware law against liabilities that may arise by reason of their service to the Registrant, and to advance expenses incurred as a result of any proceeding against them as to which they could be indemnified. The Registrant also intend to enter into indemnification agreements with its future directors and executive officers.

Under the Underwriting Agreement, the underwriters will be obligated, under certain circumstances, to indemnify directors and officers of the Registrant against certain liabilities, including liabilities under the Securities Act. Reference is made to the form of Underwriting Agreement to be filed as Exhibit 1.1 to this Registration Statement.

Item 15. ***Recent Sales of Unregistered Securities.***

Within the past three years, the Registrant has granted or issued the following securities of the Registrant which were not registered under the Securities Act of 1933, as amended.

On August, 22, 2016, we granted to certain of our officers and employees options to purchase an aggregate of 10,000 shares of our common stock under the 2016 Plan, at an exercise price of $85 per share. From August 22, 2016 through September 28, 2017, we issued and sold an aggregate of 10,000 shares of our common stock upon the exercise of these options under the 2016 Plan at an exercise price of $85 per share, for an aggregate exercise price of $850,000. On March 7, 2017, we granted to an officer a non-plan option to purchase 2,960 shares of our common stock at an exercise price of $1 per share, which is only exercisable in the event of a change of control. On February 23, 2018, we granted certain officers and employees an aggregate of 5,000 restricted shares of our common stock under the 2016 Plan, a portion of which vested on the date of grant and a portion of which will vest on July 1, 2018. Each of these issuances was made in reliance on Section 4(a)(2) and Rule 701 under the Securities Act. The issuances were made for compensatory purposes pursuant to a written plan or contract, a copy of the plan or contract was delivered to each purchaser, the number of shares sold in any 12 month period

did not exceed 15% of the number of outstanding shares as of the most recent fiscal year end and the amount sold in any 12 month period did not exceed $5,000,000.

Item 16. ***Exhibits and Financial Statement Schedules.***

(A) *Exhibits*. See the Exhibit Index immediately preceding the signature page hereto, which is incorporated by reference as if fully set forth herein.

(B) *Financial Statement Schedules*.

All schedules are omitted because the required information is (i) not applicable, (ii) not present in amounts sufficient to require submission of the schedule and/or (iii) included in the financial statements and accompanying notes thereto included in the prospectus filed as part of this Registration Statement.

Item 17. ***Undertakings.***

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification by the Registrant for liabilities arising under the Securities Act may be permitted to directors and officers of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director or officer of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director or officer in connection with the securities being registered hereunder, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

EXHIBIT INDEX

Exhibit Number	Description
1.1*	Form of Underwriting Agreement.
3.1	Certificate of Incorporation of Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.), as amended and as currently in effect.
3.2*	Form of Amended and Restated Certificate of Incorporation of Construction Partners, Inc., to be in effect immediately prior to the completion of this offering.
3.3	Bylaws of Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.), as currently in effect.
3.4*	Form of Amended and Restated Bylaws of Construction Partners, Inc., to be in effect immediately prior to the completion of this offering.
4.1*	Form of Class A Common Stock Certificate.
4.2	Registration Rights Agreement, dated June 8, 2007, by and among Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.) and certain security holders party thereto.
5.1*	Opinion of Akin Gump Strauss Hauer & Feld LLP as to the legality of the securities being registered.
10.1†*	Form of Indemnification Agreement, by and between Construction Partners, Inc. and each of its directors and executive officers.
10.2	Credit Agreement, dated June 30, 2017, by and among Construction Partners Holdings, Inc. (f/k/a Construction Partners, Inc.), Wiregrass Construction Company, Inc., Fred Smith Construction, Inc., FSC II, LLC, C.W. Roberts Contracting, Incorporated and Everett Dykes Grassing Co., Inc., as Borrowers, the financial institutions party thereto from time to time, and Compass Bank, as Agent, Sole Lead Arranger and Sole Bookrunner.
10.3	Amendment to Credit Agreement, dated June 30, 2017, by and among Construction Partners Holdings, Inc. (f/k/a Construction Partners, Inc.), Wiregrass Construction Company, Inc., Fred Smith Construction, Inc., FSC II, LLC, C.W. Roberts Contracting, Incorporated, and Everett Dykes Grassing Co., Inc., as Borrowers, Compass Bank, as Agent for Lenders and as a Lender and Issuing Bank, and ServisFirst Bank, as a Lender.
10.4	Loan Modification Agreement and Amendment to Loan Documents, dated November 14, 2017, by and among Construction Partners Holdings, Inc. (f/k/a Construction Partners, Inc.), Wiregrass Construction Company, Inc., Fred Smith Construction, Inc., FSC II, LLC, C.W. Roberts Contracting, Incorporated, and Everett Dykes Grassing Co., Inc., as Borrowers, Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.), as Guarantor, Compass Bank, as Agent for Lenders and as a Lender and Issuing Bank, and ServisFirst Bank, as a Lender.
10.5	Loan Modification Agreement and Amendment to Loan Documents, dated December 31, 2017, by and among Construction Partners Holdings, Inc. (f/k/a Construction Partners, Inc.), Wiregrass Construction Company, Inc., Fred Smith Construction, Inc., FSC II, LLC, C.W. Roberts Contracting, Incorporated, and Everett Dykes Grassing Co., Inc., as Borrowers, Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.), as Guarantor, Compass Bank, as Agent for Lenders and as a Lender and Issuing Bank, and ServisFirst Bank, as a Lender.
10.6†	Construction Partners, Inc. (f/k/a SunTx CPI Growth Company, Inc.) 2016 Equity Incentive Plan and forms of Option Agreement, Option Grant Notice, Restricted Stock Award Agreement and Restricted Stock Award Grant Notice thereunder.
10.7†	Form of Construction Partners, Inc. 2018 Equity Incentive Plan.
10.8†	Form of Stock Option Award under the Construction Partners, Inc. 2018 Equity Incentive Plan.

Exhibit Number	Description
10.9†	Form of Restricted Stock Award under the Construction Partners, Inc. 2018 Equity Incentive Plan.
10.10†	Form of Restricted Stock Unit Award under the Construction Partners, Inc. 2018 Equity Incentive Plan.
10.11†	Form of Stock Appreciation Rights Award to be settled in shares of Common Stock under the Construction Partners, Inc. 2018 Equity Incentive Plan.
10.12†	Form of Stock Appreciation Rights Award to be settled in cash under the Construction Partners, Inc. 2018 Equity Incentive Plan.
10.13	Management Services Agreement, dated October 1, 2006, by and between Construction Partners Holdings, Inc. (f/k/a Construction Partners, Inc.) and SunTx Capital Management Corp.
10.14	Amendment to Management Services Agreement, dated October 1, 2013, by and between Construction Partners Holdings, Inc. (f/k/a Construction Partners, Inc.) and SunTx Capital Management Corp.
10.15†	Employment and Non-Compete Agreement, effective as of July 1, 2014, by and between FSC II, LLC and F. Julius Smith III.
10.16†	Form of Non-plan Stock Option Award Agreement.
10.17†	Form of First Amendment to Non-plan Stock Option Award Agreement.
10.18†	Non-plan Stock Option Award Agreement, dated March 7, 2017, between Construction Partners, Inc. and F. Julius Smith, III.
16.1	Letter of PBMares, LLP.
21.1	List of Significant Subsidiaries of Construction Partners, Inc.
23.1	Consent of RSM US LLP.
23.2*	Consent of Akin Gump Strauss Hauer & Feld LLP (included in Exhibit 5.1).
24.1	Power of Attorney (included on signature page).

* To be filed by amendment.

† Management contract, compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Dothan, Alabama, on April 6, 2018.

CONSTRUCTION PARTNERS, INC.

By: /s/ Charles E. Owens
Charles E. Owens
President and Chief Executive Officer

POWER OF ATTORNEY

The undersigned officers and directors of Construction Partners, Inc. hereby constitute and appoint Charles E. Owens and R. Alan Palmer, or any one of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place, and stead, in any and all capacities, to sign any and all amendments to the Registration Statement, including post-effective amendments thereto and any registration statements filed pursuant to Rule 462 under the Securities Act of 1933, and to file the same, with all exhibits hereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Charles E. Owens Charles E. Owens	President and Chief Executive Officer (Principal Executive Officer) and Director	April 6, 2018
/s/ R. Alan Palmer R. Alan Palmer	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	April 6, 2018
/s/ Ned N. Fleming, III Ned N. Fleming, III	Executive Chairman of the Board and Director	April 6, 2018
/s/ Craig Jennings Craig Jennings	Director	April 6, 2018
/s/ Mark R. Matteson Mark R. Matteson	Director	April 6, 2018
/s/ Michael H. McKay Michael H. McKay	Director	April 6, 2018
/s/ Stefan F. Shaffer Stefan F. Shaffer	Director	April 6, 2018

Delaware ***PAGE 1***
The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "SUNTX CPI GROWTH COMPANY, INC.", FILED IN THIS OFFICE ON THE TWENTY-FIFTH DAY OF APRIL, A.D. 2007, AT 4:18 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE KENT COUNTY RECORDER OF DEEDS.

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

4340824 8100
070478379

AUTHENTICATION: 5625311
DATE: 04-25-07

CERTIFICATE OF INCORPORATION
OF
SUNTX CPI GROWTH COMPANY, INC.

THE UNDERSIGNED, acting as the incorporator of a corporation under and in accordance with the General Corporation Law of the State of Delaware, as the same exists or may hereafter be amended from time to time (the ***"DGCL"),*** hereby adopts the following Certificate of Incorporation for such corporation:

ARTICLE I
NAME

The name of the corporation is SunTx CPI Growth Company, Inc. (the ***"Corporation").***

ARTICLE II
PURPOSE

The purpose for which the Corporation is organized is to engage in any or all lawful activity for which corporations may be incorporated under the General Corporation Law of the State of Delaware (the ***"DGCL").***

ARTICLE III
REGISTERED AGENT

The street address of the initial registered office of the Corporation in the State of Delaware is 615 South Dupont Highway, Dover, Delaware 19901, County of Kent and the name of the Corporation's initial registered agent at such address is Capitol Services, Inc.

ARTICLE IV
CAPITALIZATION

The aggregate number of shares of capital stock that the Corporation shall have authority to issue is 5,000,000 shares of common stock, par value $0.001 per share (the ***"Common Stock")*** and 1,000,000 shares of Preferred Stock, par value $0.001 per share (the ***"Preferred Stock").***

The shares of Preferred Stock may be issued from time to time in one or more series. Apart from any other provisions in this Certificate of Incorporation authorizing the issuance of shares of Preferred Stock, the Board of Directors of the Corporation (the ***"Board")*** is authorized to establish from time to time, by resolution or resolutions, the number of shares to be included in each series and to fix and alter the rights, preferences, privileges, and restrictions granted to and imposed upon any series thereof, and to fix the designation of any such series of Preferred Stock. The Board, within the limits and restrictions stated in any resolution or resolutions of the Board originally fixing the number of shares constituting any series, may increase or decrease (but not below the number of shares of such series then outstanding) the number of shares of any series subsequent to the original issue of shares of that series.

State of Delaware
Secretary of State
Division of Corporations
Delivered 04:29 PM 04/25/2007
FILED 04:18 PM 04/25/2007
SRV 070478379 - 4340824 FILE

Subject to the provisions of applicable law or of the Bylaws with respect to the closing of the transfer books or the fixing of a record date for the determination of stockholders entitled to vote, and except as otherwise provided by applicable law or by the resolution or resolutions providing for the issue of any series of Preferred Stock, the holders of outstanding shares of Common Stock shall exclusively possess the voting power for the election of directors and for all other purposes, with each holder of record of shares of Common Stock being entitled to one vote for each share of Common Stock standing in the name of such holder on the books of the Corporation.

ARTICLE V
INCORPORATOR

The name and mailing address of the incorporator is as follows:

Name	Address
Aaron Scow	Akin Gump Strauss Hauer & Feld LLP 1700 Pacific Avenue, Suite 4100 Dallas, Texas 75201

ARTICLE VI
BOARD OF DIRECTORS

The number of directors of the Corporation shall be fixed in the manner provided in the Corporation's Bylaws (the ***"Bylaws"),*** and until changed in the manner provided in the Bylaws, shall be five (5). The names and mailing addresses of the persons who are to serve as the initial directors until the first annual meeting of the stockholders of the Corporation and such director's successor is elected and qualified are as follows:

Name	**Address**
Ned N. Fleming, III	14001 N. Dallas Pkwy, Suite 111 Dallas, Texas 75240
Mark Matteson	14001 N. Dallas Pkwy, Suite 111 Dallas, Texas 75240
Michael H. McKay	131 Dartmouth Street Boston, Massachusetts 02116
Charles E. Owens	256 Honeysuckle Road Brightleaf Court, Suite 12 Dothan, Alabama 36305
Charles W. Roberts, III	P.O. Box 188 Highway 20 E Hosford, Florida 32334

ARTICLE VII
BYLAWS

In furtherance and not in limitation of the powers conferred upon it by law, the Board shall have the power to adopt, amend, alter or repeal the Bylaws of the Corporation.

ARTICLE VIII
LIMITED LIABILITY; INDEMNIFICATION

Section 8.1 Limitation of Personal Liability. No person who is or was a director of the Corporation shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of fiduciary duty as a director of the Corporation, except to the extent such exemption from liability or limitation thereof is not permitted by the DGCL, as the same exists or hereafter may be amended. If the DGCL is hereafter amended to authorize corporate action further limiting or eliminating the liability of directors, then the liability of a director to the Corporation or its stockholders shall be limited or eliminated to the fullest extent permitted by the DGCL, as so amended. Any repeal or amendment of this Section 8.1 by the stockholders of the Corporation or by changes in law, or the adoption of any other provision of this Certificate of Incorporation inconsistent with this Section 8.1 will, unless otherwise required by law, be prospective only (except to the extent such amendment or change in law permits the Corporation to further limit or eliminate the liability of directors) and shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or amendment or adoption of such inconsistent provision with respect to acts or omissions occurring prior to such repeal or amendment or adoption of such inconsistent provision.

Section 8.2 Indemnification.

(a) Each person who is or was made a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a ***"proceeding")*** by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter a ***"Covered Person"),*** whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent, or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized or permitted by applicable law, as the same exists or may hereafter be amended, against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes and penalties and amounts paid in settlement) reasonably incurred or suffered by such Covered Person in connection with such proceeding, and such right to indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that, except for proceedings to enforce rights to indemnification, the Corporation shall indemnify a Covered Person in connection with a proceeding (or part thereof)

initiated by such Covered Person only if such proceeding (or part thereof) was authorized by the Board. The right to indemnification conferred by this Section 8.2 shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending or otherwise participating in any such proceeding in advance of its final disposition.

(b) The rights conferred on any Covered Person by this Section 8.2 shall not be exclusive of any other rights which any Covered Person may have or hereafter acquire under law, this Certificate of Incorporation, the Bylaws, an agreement, vote of stockholders or disinterested directors, or otherwise.

(c) Any repeal or amendment of this Section 8.2 by the stockholders of the Corporation or by changes in law, or the adoption of any other provision of this Certificate of Incorporation inconsistent with this Section 8.2. will, unless otherwise required by law, be prospective only (except to the extent such amendment or change in law permits the Corporation to provide broader indemnification rights on a retroactive basis than permitted prior thereto), and will not in any way diminish or adversely affect any right or protection existing at the time of such repeal or amendment or adoption of such inconsistent provision in respect of any act or omission occurring prior to such repeal or amendment or adoption of such inconsistent provision.

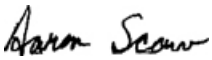
(d) This Section 8.2 shall not limit the right of the Corporation, to the extent and in the manner authorized or permitted by law, to indemnify and to advance expenses to persons other than Covered Persons.

ARTICLE IX
AMENDMENT OF CERTIFICATE OF INCORPORATION

The Corporation reserves the right at any time from time to time to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, and any other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by this Certificate of Incorporation, the Bylaws or the DGCL.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Incorporation this 25th day of April, 2007.



Aaron A. Scow, Incorporator

Delaware
The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "SUNTX CPI GROWTH COMPANY, INC.", CHANGING ITS NAME FROM "SUNTX CPI GROWTH COMPANY, INC." TO "CONSTRUCTION PARTNERS, INC.", FILED IN THIS OFFICE ON THE TWENTIETH DAY OF SEPTEMBER, A.D. 2017, AT 11:27 O 'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE KENT COUNTY RECORDER OF DEEDS.

Jeffrey W. Bullock, Secretary of State

4340824 8100
SR# 20176246635

Authentication: 203261548
Date: 09-20-17

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 11:26 AM 09/20/2017
FILED 11:27 AM 09/20/2017
SR 20176246635 - File Number 4340824

CERTIFICATE OF AMENDMENT
TO THE
CERTIFICATE OF INCORPORATION
OF
SUNTX CPI GROWTH COMPANY, INC.

The undersigned, desiring to amend the Certificate of Incorporation of SunTx CPI Growth Company, Inc. (the ***"Corporation"),*** pursuant to the provisions of the General Corporation Law of the State of Delaware, does hereby certify as follows:

1. The name of the Corporation is SunTx CPI Growth Company, Inc.

2. The Certificate of Incorporation of the Corporation was originally filed with the Delaware Secretary of State on April 25, 2007 and assigned file number 4340824.

3. The Board of Directors of the Corporation, by unanimous consent pursuant to Section 141(f) of the General Corporation Law of the State of Delaware, duly adopted the following amendments to the Certificate of Incorporation:

4. Article I of the Certificate of Incorporation of the Corporation shall be amended as follows to change the name of the Corporation:

   "The name of the Corporation is Construction Partners, Inc. (the ***"Corporation").***"

5. The above-referenced amendment was duly adopted in accordance with the applicable provisions of Section 242 of the General Corporation law of the State of Delaware.

IN WITNESS WHEREOF, the undersigned executed this Certificate of Amendment to the Certificate of Incorporation of the Corporation on this 20th day of September, 2017.

By:
Name: Ned N Fleming, III
Title: Authorized Person
Chairman of the Board

Exhibit 3.3

BYLAWS
OF
SUNTX CPI GROWTH COMPANY, INC.,

a Delaware corporation

(the ***"Corporation")***

(Adopted as of April 25, 2007)

BYLAWS
OF
SUNTX CPI GROWTH COMPANY, INC.

ARTICLE I.
OFFICES

Section 1.1. **Registered Office.** The registered office of the Corporation within the State of Delaware shall be located at either (a) the principal place of business of the Corporation in the State of Delaware or (b) the office of the corporation or individual acting as the Corporation's registered agent in Delaware.

Section 1.2. **Additional Offices.** The Corporation may, in addition to its registered office in the State of Delaware, have such other offices and places of business, both within and outside the State of Delaware, as the Board of Directors of the Corporation (the ***"Board")*** may from time to time determine or as the business and affairs of the Corporation may require.

ARTICLE II.
STOCKHOLDERS MEETINGS

Section 2.1. **Annual Meetings.** Unless directors are elected by written consent in lieu of an annual meeting as permitted by applicable law or an annual meeting is otherwise not required by applicable law, an annual meeting of stockholders shall be held at such place and time and on such date as shall be determined by the Board and stated in the notice of the meeting, provided that the Board may in its sole discretion determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication pursuant to Section 9.5(a). At each annual meeting, the stockholders shall elect directors of the Corporation and may transact any other business as may properly be brought before the meeting. Stockholders may, unless the Corporation's Certificate of Incorporation, as the same may be amended or restated from time to time (the ***"Certificate of Incorporation"),*** provides otherwise, act by written consent to elect directors; provided, however, that if such consent is less than unanimous, such action by written consent may be in lieu of holding an annual meeting only if all of the directorships to which directors could be elected at an annual meeting held at the effective time of such action are vacant and are filled by such action.

Section 2.2. **Special Meetings.** Except as otherwise required by applicable law or provided in the Certificate of Incorporation, special meetings of stockholders, for any purpose or purposes, may be called only by the Chairman of the Board or the President, by the Board, or by the Secretary at the request in writing of stockholders holding shares representing a majority of the voting power of the outstanding shares entitled to vote on the matter for which such meeting is to be called. The Secretary shall call such a meeting upon receiving such a request. Special meetings of stockholders shall be held at such place and time and on such date as shall be determined by the Board and stated in the Corporation's notice of the meeting, provided that the Board may in its sole discretion determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication pursuant to Section 9.5(a).

Section 2.3. **Notices.** Notice of each stockholders meeting stating the place, if any, date, and time of the meeting, and the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, shall be given in the manner permitted by Section 9.3 to each stockholder entitled to vote thereat by the Corporation not less than 10 nor more than 60 days before the date of the meeting. If said notice is for a stockholders meeting other than an annual meeting, it shall in addition state the purpose or purposes for which the meeting is called, and the business transacted at such meeting shall be limited to the matters so stated in the Corporation's notice of meeting (or any supplement thereto).

Section 2.4. **Quorum.** Except as otherwise provided by applicable law, the Certificate of Incorporation or these Bylaws, the presence, in person or by proxy, at a stockholders meeting of the holders of shares of outstanding capital stock of the Corporation representing a majority of the voting power of all outstanding shares of capital stock of the Corporation entitled to vote at such meeting shall constitute a quorum for the transaction of business at such meeting, except that when specified business is to be voted on by a class or series of stock voting as a class, the holders of shares representing a majority of the voting power of the outstanding shares of such class or series shall constitute a quorum of such class or series for the transaction of such business. If a quorum shall not be present at any meeting of the stockholders, the chairman of the meeting or the stockholders entitled to vote thereat so present, by a majority in voting power thereof, may adjourn the meeting from time to time in the manner provided in Section 2.6 until a quorum shall attend. The stockholders present at a duly convened meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Shares of its own stock belonging to the Corporation or to another corporation, if a majority of the voting power of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the Corporation or any such other corporation to vote shares held by it in a fiduciary capacity.

Section 2.5. **Voting of Shares.**

(a) Voting Lists. The Secretary shall prepare, or shall cause the officer or agent who has charge of the stock ledger of the Corporation to prepare, at least 10 days before each meeting of stockholders, a complete list of the stockholders of record entitled to vote thereat arranged in alphabetical order and showing the address and the number of shares registered in the name of each stockholder. Nothing contained in this Section 2.5(a) shall require the Corporation to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours for a period of at least 10 days prior to the meeting: (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any

stockholder who is present. If a meeting of stockholders is to be held solely by means of remote communication as permitted by Section 9.5(a), the list shall be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of meeting. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list required by this Section 2.5(a) or to vote in person or by proxy at any meeting of stockholders.

(b) Manner of Voting. At any stockholders meeting, every stockholder entitled to vote may vote in person or by proxy. If authorized by the Board, the voting by stockholders or proxyholders at any meeting conducted by remote communication may be effected by a ballot submitted by electronic transmission (as defined in Section 9.3(c)), provided that any such electronic transmission must either set forth or be submitted with information from which the Corporation can determine that the electronic transmission was authorized by the stockholder or proxyholder. The Board, in its discretion, or the chairman of the meeting of stockholders, in such person's discretion, may require that any votes cast at such meeting shall be cast by written ballot.

(c) Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. Proxies need not be filed with the Secretary until the meeting is called to order, but shall be filed with the Secretary before being voted. Without limiting the manner in which a stockholder may authorize another person or persons to act for such stockholder as proxy, either of the following shall constitute a valid means by which a stockholder may grant such authority:

(i) A stockholder may execute a writing authorizing another person or persons to act for such stockholder as proxy. Execution may be accomplished by the stockholder or such stockholder's authorized officer, director, employee or agent signing such writing or causing such person's signature to be affixed to such writing by any reasonable means, including, but not limited to, by facsimile signature.

(ii) A stockholder may authorize another person or persons to act for such stockholder as proxy by transmitting or authorizing the transmission of an electronic transmission to the person who will be the holder of the proxy, provided that any such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the stockholder.

Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission authorizing another person or persons to act as proxy for a stockholder may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used; provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

(d) Required Vote. Subject to the rights of the holders of one or more series of preferred stock of the Corporation ***("Preferred Stock"),*** voting separately by class or series, to elect directors pursuant to the terms of one or more series of Preferred Stock, the election of directors shall be determined by a plurality of the votes cast by the stockholders present in person or represented by proxy at the meeting and entitled to vote thereon. All other matters shall be determined by the vote of a majority of the votes cast by the stockholders present in person or represented by proxy at the meeting and entitled to vote thereon, unless the matter is one upon which, by applicable law, the Certificate of Incorporation or these Bylaws, a different vote is required, in which case such provision shall govern and control the decision of such matter.

(e) Inspectors of Election. The Board may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more persons as inspectors of election, who may be employees of the Corporation or otherwise serve the Corporation in other capacities, to act at such meeting of stockholders or any adjournment thereof and to make a written report thereof. The Board may appoint one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspectors of election or alternates are appointed by the Board, the chairman of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before discharging his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall ascertain and report the number of outstanding shares and the voting power of each; determine the number of shares present in person or represented by proxy at the meeting and the validity of proxies and ballots; count all votes and ballots and report the results; determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors; and certify their determination of the number of shares represented at the meeting and their count of all votes and ballots. No person who is a candidate for an office at an election may serve as an inspector at such election. Each report of an inspector shall be in writing and signed by the inspector or by a majority of them if there is more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors.

Section 2.6. **Adjournments.** Any meeting of stockholders, annual or special, may be adjourned by the chairman of the meeting or by the stockholders present and entitled to vote thereat, by a majority in voting power thereof, from time to time, whether or not there is a quorum, to reconvene at the same or some other place. Notice need not be given of any such adjourned meeting if the date, time, place, if any, thereof, and the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting the stockholders, or the holders of any class or series of stock entitled to vote separately as a class, as the case may be, may transact any business that might have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 2.7. **Conduct of Meetings.** The chairman of each annual and special meeting of stockholders shall be the Chairman of the Board or, in the absence (or inability or refusal to act) of the Chairman of the Board, the President (if he or she shall be a director) or, in the absence (or inability or refusal to act) of the President or if the President is not a director, such other person as shall be appointed by the Board, or in the absence of such appointment, a chairman chosen at the meeting. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the chairman of the meeting. The Board may adopt such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with these Bylaws or such rules and regulations as adopted by the Board, the chairman of any meeting of stockholders shall have the right and authority to convene and to adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Unless and to the extent determined by the Board or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure. The secretary of each annual and special meeting of stockholders shall be the Secretary or, in the absence (or inability or refusal to act) of the Secretary, an Assistant Secretary so appointed to act by the chairman of the meeting. In the absence (or inability or refusal to act) of the Secretary and all Assistant Secretaries, the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8. **Consents in Lieu of Meeting.** Unless otherwise provided by the Certificate of Incorporation, any action required or permitted to be taken at any annual or special meeting of stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum voting power that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation at its principal place of business or the Secretary. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of holders were delivered to the Corporation as provided in this Section 2.8.

ARTICLE III.
DIRECTORS

Section 3.1. **Powers.** The business and affairs of the Corporation shall be managed by or under the direction of the Board, which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Certificate of Incorporation or by these Bylaws required to be exercised or done by the stockholders. Directors need not be stockholders or residents of the State of Delaware.

Section 3.2. **Number; Term.** The number of directors which shall constitute the whole Board shall not be less than 1 or more than 15. The number of directors of the Corporation initially shall be 5. Thereafter the number of directors, other than those who may be elected by the holders of one or more series of Preferred Stock voting separately by class or series or pursuant to that certain Stockholders Agreement, as amended from time to time (the ***"Stockholders Agreement"***), by and among the Corporation and the stockholders party thereto, may be determined from time to time by the Board or by the stockholders at any annual or

special meeting or otherwise pursuant to action of the stockholders, but no decrease in such number shall have the effect of shortening the term of any incumbent director. Except as otherwise provided in the Certificate of Incorporation or in the Stockholders Agreement, the directors shall be elected at the annual meeting of stockholders to hold office until the next succeeding annual meeting of stockholders. Each director shall hold office for the term for which such director is elected and until his or her successor shall have been elected and qualified, subject to such director's earlier death, resignation, retirement, disqualification or removal.

Section 3.3. **Newly Created Directorships and Vacancies.** Except as otherwise provided in the Certificate of Incorporation or in the Stockholders Agreement, vacancies resulting from death, resignation, retirement, disqualification, removal or other cause and newly created directorships resulting from an increase in the number of directors elected by all of the stockholders having the right to vote as a single class may be filled by a majority vote of the directors then in office, even if less than a quorum, by a sole remaining director, or by the stockholders. Except as otherwise provided in the Certificate of Incorporation or in the Stockholders Agreement, if the holders of any class or classes of stock or series thereof are entitled to elect one or more directors, vacancies and newly created directorships of such class or classes or series may be filled only by a majority of the directors elected by such class or classes or series thereof then in office, by a sole remaining director so elected, or by the stockholders of such class or classes or series thereof. Except as otherwise provided in the Certificate of Incorporation or in the Stockholders Agreement, any director elected or chosen in accordance with this Section 3.3 shall hold office until the next annual election of directors and until his or her successor shall have been elected and qualified, subject to such director's earlier death, resignation, retirement, disqualification or removal.

Section 3.4. **Compensation.** Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, the Board shall have the authority to fix the compensation of directors. The directors may be reimbursed their expenses, if any, of attendance at each meeting of the Board and may be paid either a fixed sum for attendance at each meeting of the Board or other compensation as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of committees of the Board may be allowed like compensation and reimbursement of expenses for attending committee meetings.

ARTICLE IV.
BOARD MEETINGS

Section 4.1. **Annual Meetings.** The Board shall meet as soon as practicable after the adjournment of each annual stockholders meeting at the place of the annual stockholders meeting unless the Board shall fix another time and place and give notice thereof in the manner required herein for special meetings of the Board. No notice to the directors shall be necessary to legally convene this meeting, except as provided in this Section 4.1.

Section 4.2. **Regular Meetings.** Regularly scheduled, periodic meetings of the Board may be held without notice at such times, dates and places as shall from time to time be determined by the Board.

Section 4.3. **Special Meetings.** Special meetings of the Board (a) may be called by the Chairman of the Board or President and (b) shall be called by the Chairman of the Board, President or Secretary on the written request of two (2) directors, or the sole director, as the case may be, and shall be held at such time, date and place as may be determined by the person calling the meeting or, if called upon the request of directors or the sole director, as specified in such written request. Notice of each special meeting of the Board shall be given, as provided in Section 9.3, to each director (i) at least 24 hours before the meeting if such notice is oral notice given personally or by telephone or written notice given by hand delivery or by means of a form of electronic transmission and delivery; (ii) at least two days before the meeting if such notice is sent by a nationally recognized overnight delivery service; and (iii) at least five days before the meeting if such notice is sent through the United States mail. If the Secretary shall fail or refuse to give such notice, then the notice may be given by the officer who called the meeting or the directors who requested the meeting. Any and all business that may be transacted at a regular meeting of the Board may be transacted at a special meeting. Except as may be otherwise expressly provided by applicable law, the Certificate of Incorporation, or these Bylaws, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice or waiver of notice of such meeting. A special meeting may be held at any time without notice if all the directors are present or if those not present waive notice of the meeting in accordance with Section 9.4.

Section 4.4. **Quorum; Required Vote.** A majority of the Board, but in any event not less thanone-third of the Whole Board (as defined below), shall constitute a quorum for the transaction of business at any meeting of the Board, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by applicable law, the Certificate of Incorporation or these Bylaws. If a quorum shall not be present at any meeting, a majority of the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. “Whole Board” shall mean the total number of directors that the Corporation would have if there were no vacancies.

Section 4.5. **Consent In Lieu of Meeting.** Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board or any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions (or paper reproductions thereof) are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 4.6. **Organization.** The chairman of each meeting of the Board shall be the Chairman of the Board or, in the absence (or inability or refusal to act) of the Chairman of the Board, the President (if he or she shall be a director) or in the absence (or inability or refusal to act) of the President or if the President is not a director, a chairman elected from the directors present. The Secretary shall act as secretary of all meetings of the Board. In the absence (or inability or refusal to act) of the Secretary, an Assistant Secretary shall perform the duties of the Secretary at such meeting. In the absence (or inability or refusal to act) of the Secretary and all Assistant Secretaries, the chairman of the meeting may appoint any person to act as secretary of the meeting.

ARTICLE V.
COMMITTEES OF DIRECTORS

Section 5.1. **Executive Committee; How Constituted and Powers.** The Board may in its discretion designate an Executive Committee consisting of one or more of the directors of the Corporation. Subject to the provisions of Section 141 of the Delaware General Corporation Law (the ***"DGCL"***), the Certificate of Incorporation and these Bylaws, the Executive Committee shall have and may exercise, when the Board is not in session, all the powers and authority of the Board in the management of the business and affairs of the Corporation, and shall have the power to authorize the seal of the Corporation to be affixed to all papers which may require it; but the Executive Committee shall not have the power to amend the Certificate of Incorporation (except that the Executive Committee may, to the extent authorized in the resolution or resolutions providing for the issuance of shares of stock adopted by the Board as provided in the DGCL, fix the designations and any of the preferences or rights of such shares relating to dividends, redemption, dissolution, any distribution of assets of the Corporation or the conversion into, or the exchange of such shares for, shares of any other class or classes or any other series of the same or any other class or classes of stock of the Corporation or fix the number of shares of any series of stock or authorize the increase or decrease of the shares of any series), to adopt an agreement of merger or consolidation under Sections 251 or 252 of the DGCL, to recommend to the stockholders the sale, lease or exchange of all or substantially all of the Corporation's property and assets, to recommend to the stockholders a dissolution of the Corporation or a revocation of a dissolution, or to amend these Bylaws. Except as otherwise provided herein or in the Certificate of Incorporation, the Executive Committee shall have the power and authority to authorize the issuance of common stock and grant and authorize options and other rights with respect to such issuance, to declare a dividend and to adopt a certificate of ownership and merger pursuant to Section 253 of the DGCL. The Board shall have the power at any time to change the membership of the Executive Committee, to fill all vacancies in it, or to dissolve it, either with or without cause.

Section 5.2. **Organization.** The Chairman of the Executive Committee, to be selected by the Board, shall act as chairman at all meetings of the Executive Committee and the Secretary shall act as secretary thereof. In case of the absence from any meeting of the Executive Committee of the Chairman of the Executive Committee or the Secretary, the Executive Committee may appoint a chairman or secretary, as the case may be, of the meeting.

Section 5.3. **Meetings.** Regular meetings of the Executive Committee, of which no notice shall be necessary, may be held on such days and at such places, within or without the State of Delaware, as shall be fixed by resolution adopted by a majority of the members of the Executive Committee and communicated in writing to all its members. Special meetings of the Executive Committee shall be held whenever called by the Chairman of the Executive Committee or a majority of the members of the Executive Committee then in office. Notice of each special meeting of the Executive Committee shall be given by mail, telegraph, telex, cable, wireless, or other form of recorded communication or be delivered personally or by telephone to each member of the Executive Committee not later than the day before the day on which such

meeting is to be held. Any meeting of the Executive Committee shall be a legal meeting without any notice thereof having been given if all the members of the Executive Committee shall be present thereat. The Executive Committee, by resolution adopted by a majority of the members of the Executive Committee, shall fix its own rules of procedure.

Section 5.4. **Quorum and Manner of Acting.** A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at a meeting thereof at which a quorum is present shall be the act of the Executive Committee.

Section 5.5. **Other Committees.** The Board may designate one or more other committees consisting of one or more directors of the Corporation, which, to the extent provided in said resolution or resolutions, shall have and may exercise, subject to the provisions of Section 141 of the DGCL, the Certificate of Incorporation, and these Bylaws, the powers and authority of the Board in the management of the business and affairs of the Corporation, and shall have the power to authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power to fill vacancies in the Board, the Executive Committee, or any other committee or in their respective membership, to appoint or remove officers of the Corporation, or to authorize the issuance of shares of the capital stock of the Corporation, except that such a committee may, to the extent provided in said resolutions, grant and authorize options and other rights with respect to the common stock of the Corporation pursuant to and in accordance with any plan approved by the Board. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board. A majority of all the members of any such committee may determine its action and fix the time and place of its meetings and specify what notice thereof, if any, shall be given, unless the Board shall otherwise provide. The Board shall have power to change the members of any such committee at any time to fill vacancies, and to discharge any such committee, either with or without cause, at any time.

Section 5.6. **Alternate Members of Committees.** The Board may designate one or more directors as alternate members of the Executive Committee or any other committee, who may replace any absent or disqualified member at any meeting of the committee, or if none be so appointed, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member.

Section 5.7. **Minutes of Committees.** Each committee shall keep regular minutes of its meetings and proceedings and report the same to the Board at the next meeting of the Board.

ARTICLE VI.
OFFICERS

Section 6.1. **Officers.** The officers of the Corporation elected by the Board shall be a Chairman of the Board, a President, a Treasurer, a Secretary and such other officers (including without limitation a Chief Financial Officer, Vice Presidents, Assistant Secretaries and Assistant Treasurers) as the Board from time to time may determine. Officers elected by the Board shall

each have such powers and duties as generally pertain to their respective offices, subject to the specific provisions of this Article VI. Such officers shall also have such powers and duties as from time to time may be conferred by the Board. The Chairman of the Board or President may also appoint such other officers (including without limitation one or more Vice Presidents and Controllers) as may be necessary or desirable for the conduct of the business of the Corporation. Such other officers shall have such powers and duties and shall hold their offices for such terms as may be provided in these Bylaws or as may be prescribed by the Board or, if such officer has been appointed by the Chairman of the Board or President, as may be prescribed by the appointing officer.

(a) Chairman of the Board. The Chairman of the Board shall preside when present at all meetings of the stockholders and the Board. The Chairman of the Board shall advise and counsel the President and other officers and shall exercise such powers and perform such duties as shall be assigned to or required of the Chairman of the Board from time to time by the Board or these Bylaws. The Chairman of the Board must be a director of the Corporation.

(b) President. The President shall be the chief executive officer of the Corporation, shall have general supervision of the affairs of the Corporation and general control of all of its business subject to the ultimate authority of the Board, and shall be responsible for the execution of the policies of the Board. In the absence (or inability or refusal to act) of the Chairman of the Board, the President (if he or she shall be a director) shall preside when present at all meetings of the stockholders and the Board.

(c) Vice Presidents. In the absence (or inability or refusal to act) of the President, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated by the Board) shall perform the duties and have the powers of the President. Any one or more of the Vice Presidents may be given an additional designation of rank or function.

(d) Secretary.

(i) The Secretary shall attend all meetings of the stockholders, the Board and (as required) committees of the Board and shall record the proceedings of such meetings in books to be kept for that purpose. The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board and shall perform such other duties as may be prescribed by the Board, the Chairman of the Board or President. The Secretary shall have custody of the corporate seal of the Corporation and the Secretary, or any Assistant Secretary, shall have authority to affix the same to any instrument requiring it, and when so affixed, it may be attested by his or her signature or by the signature of such Assistant Secretary. The Board may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing thereof by his or her signature.

(ii) The Secretary shall keep, or cause to be kept, at the principal executive office of the Corporation or at the office of the Corporation’s transfer agent or registrar, if one has been appointed, a stock ledger, or duplicate stock ledger, showing the names of the stockholders and their addresses, the number and classes of shares held by each and, with respect to certificated shares, the number and date of certificates issued for the same and the number and date of certificates cancelled.

(e) Assistant Secretaries. The Assistant Secretary or, if there be more than one, the Assistant Secretaries in the order determined by the Board shall, in the absence (or inability or refusal to act) of the Secretary, perform the duties and have the powers of the Secretary.

(f) Treasurer. The Treasurer shall perform all duties commonly incident to that office (including, without limitation, the care and custody of the funds and securities of the Corporation which from time to time may come into the Treasurer's hands and the deposit of the funds of the Corporation in such banks or trust companies as the Board or the President may authorize).

(g) Assistant Treasurers. The Assistant Treasurer or, if there shall be more than one, the Assistant Treasurers in the order determined by the Board shall, in the absence (or inability or refusal to act) of the Treasurer, perform the duties and exercise the powers of the Treasurer.

Section 6.2. **Term of Office; Removal; Vacancies.** The elected officers of the Corporation shall be elected annually by the Board at its first meeting held after each annual meeting of stockholders. All officers elected by the Board shall hold office until the next annual meeting of the Board and until their successors are duly elected and qualified or until their earlier death, resignation, retirement, disqualification, or removal from office. Any officer may be removed, with or without cause, at any time by the Board. Any officer appointed by the Chairman of the Board or President may also be removed, with or without cause, by the Chairman of the Board or President, as the case may be, unless the Board otherwise provides. Any vacancy occurring in any elected office of the Corporation may be filled by the Board. Any vacancy occurring in any office appointed by the Chairman of the Board or President may be filled by the Chairman of the Board or President, as the case may be, unless the Board then determines that such office shall thereupon be elected by the Board, in which case the Board shall elect such officer.

Section 6.3. **Other Officers.** The Board may delegate the power to appoint such other officers and agents, and may also remove such officers and agents or delegate the power to remove same, as it shall from time to time deem necessary or desirable.

Section 6.4. **Multiple Officeholders; Stockholder and Director Officers.** Any number of offices may be held by the same person unless the Certificate of Incorporation or these Bylaws otherwise provide. Officers need not be stockholders or residents of the State of Delaware.

ARTICLE VII.
SHARE CERTIFICATES

Section 7.1. **Entitlement to Certificates.** The shares of the Corporation shall be represented by certificates, provided that the Board may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such

resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Notwithstanding the adoption of such a resolution by the Board, every holder of stock represented by certificates and upon request every holder of uncertificated shares shall be entitled to have a certificate signed in accordance with Section 7.3 representing the number of shares registered in certificate form. The Corporation shall not have power to issue a certificate representing shares in bearer form.

Section 7.2. **Multiple Classes of Stock.** If the Corporation shall be authorized to issue more than one class of stock or more than one series of any class, the Corporation shall (a) cause the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences or rights to be set forth in full or summarized on the face or back of any certificate that the Corporation issues to represent shares of such class or series of stock or (b) in the case of uncertificated shares, within a reasonable time after the issuance or transfer of such shares, send to the registered owner thereof a written notice containing the information required to be set forth on certificates as specified in clause (a) above; provided, however, that, except as otherwise provided by applicable law, in lieu of the foregoing requirements, there may be set forth on the face or back of such certificate or, in the case of uncertificated shares, on such written notice a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences or rights.

Section 7.3. **Signatures.** Each certificate representing capital stock of the Corporation shall be signed by or in the name of the Corporation by (a) the Chairman of the Board, the President or a Vice President and (b) the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary of the Corporation. Any or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, such certificate may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar on the date of issue.

Section 7.4. **Consideration and Payment for Shares.**

(a) Subject to applicable law and the Certificate of Incorporation, shares of stock may be issued for such consideration, having in the case of shares with par value a value not less than the par value thereof, and to such persons, as determined from time to time by the Board. The consideration may consist of any tangible or intangible property or benefit to the Corporation including cash, promissory notes, services performed, contracts for services to be performed or other securities.

(b) Subject to applicable law and the Certificate of Incorporation, shares may not be issued until the full amount of the consideration has been paid, unless upon the face or back of each certificate issued to represent any partly paid shares of capital stock or upon the books and records of the Corporation in the case of partly paid uncertificated shares, there shall have been set forth the total amount of the consideration to be paid therefor and the amount paid thereon up to and including the time said certificate representing certificated shares or said uncertificated shares are issued.

Section 7.5. **Lost, Destroyed or Wrongfully Taken Certificates.**

(a) If an owner of a certificate representing shares claims that such certificate has been lost, destroyed or wrongfully taken, the Corporation shall issue a new certificate representing such shares or such shares in uncertificated form if the owner: (i) requests such a new certificate before the Corporation has notice that the certificate representing such shares has been acquired by a protected purchaser; (ii) if requested by the Corporation, delivers to the Corporation a bond sufficient to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, wrongful taking or destruction of such certificate or the issuance of such new certificate or uncertificated shares; and (iii) satisfies other reasonable requirements imposed by the Corporation.

(b) If a certificate representing shares has been lost, apparently destroyed or wrongfully taken, and the owner fails to notify the Corporation of that fact within a reasonable time after the owner has notice of such loss, apparent destruction or wrongful taking and the Corporation registers a transfer of such shares before receiving notification, the owner shall be precluded from asserting against the Corporation any claim for registering such transfer or a claim to a new certificate representing such shares or such shares in uncertificated form.

Section 7.6. **Transfer of Stock.**

(a) If a certificate representing shares of the Corporation is presented to the Corporation with an indorsement requesting the registration of transfer of such shares or an instruction is presented to the Corporation requesting the registration of transfer of uncertificated shares, the Corporation shall register the transfer as requested if:

(i) in the case of certificated shares, the certificate representing such shares has been surrendered;

(ii) (A) with respect to certificated shares, the indorsement is made by the person specified by the certificate as entitled to such shares; (B) with respect to uncertificated shares, an instruction is made by the registered owner of such uncertificated shares; or (C) with respect to certificated shares or uncertificated shares, the indorsement or instruction is made by any other appropriate person or by an agent who has actual authority to act on behalf of the appropriate person;

(iii) the Corporation has received a guarantee of signature of the person signing such indorsement or instruction or such other reasonable assurance that the indorsement or instruction is genuine and authorized as the Corporation may request;

(iv) the transfer does not violate any restriction on transfer imposed by the Corporation that is enforceable in accordance with Section 7.8(a), including, but not limited to, those set forth in the Stockholders Agreement; and

(v) such other conditions for such transfer as shall be provided for under applicable law have been satisfied.

(b) Whenever any transfer of shares shall be made for collateral security and not absolutely, the Corporation shall so record such fact in the entry of transfer if, when the certificate for such shares is presented to the Corporation for transfer or, if such shares are uncertificated, when the instruction for registration of transfer thereof is presented to the Corporation, both the transferor and transferee request the Corporation to do so.

Section 7.7. **Registered Stockholders.** Before due presentment for registration of transfer of a certificate representing shares of the Corporation or of an instruction requesting registration of transfer of uncertificated shares, the Corporation may treat the registered owner as the person exclusively entitled to inspect for any proper purpose the stock ledger and the other books and records of the Corporation, vote such shares, receive dividends or notifications with respect to such shares and otherwise exercise all the rights and powers of the owner of such shares, except that a person who is the beneficial owner of such shares (if held in a voting trust or by a nominee on behalf of such person) may, upon providing documentary evidence of beneficial ownership of such shares and satisfying such other conditions as are provided under applicable law, may also so inspect the books and records of the Corporation.

Section 7.8. **Effect of the Corporation's Restriction on Transfer.**

(a) A written restriction on the transfer or registration of transfer of shares of the Corporation or on the amount of shares of the Corporation that may be owned by any person or group of persons, if permitted by the DGCL and noted conspicuously on the certificate representing such shares or, in the case of uncertificated shares, contained in a notice sent by the Corporation to the registered owner of such shares within a reasonable time after the issuance or transfer of such shares, may be enforced against the holder of such shares or any successor or transferee of the holder including an executor, administrator, trustee, guardian or other fiduciary entrusted with like responsibility for the person or estate of the holder.

(b) A restriction imposed by the Corporation on the transfer or the registration of shares of the Corporation or on the amount of shares of the Corporation that may be owned by any person or group of persons, even if otherwise lawful, is ineffective against a person without actual knowledge of such restriction unless: (i) the shares are certificated and such restriction is noted conspicuously on the certificate; or (ii) the shares are uncertificated and such restriction was contained in a notice sent by the Corporation to the registered owner of such shares within a reasonable time after the issuance or transfer of such shares.

Section 7.9. **Regulations.** The Board shall have power and authority to make such additional rules and regulations, subject to any applicable requirement of law, as the Board may deem necessary and appropriate with respect to the issue, transfer or registration of transfer of shares of stock or certificates representing shares. The Board may appoint one or more transfer agents or registrars and may require for the validity thereof that certificates representing shares bear the signature of any transfer agent or registrar so appointed.

ARTICLE VIII.
INDEMNIFICATION

Section 8.1. **Right to Indemnification.** Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a ***"proceeding"),*** by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter a ***"Covered Person"),*** whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent, or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized or permitted by applicable law, as the same exists or may hereafter be amended, against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes and penalties and amounts paid in settlement) reasonably incurred or suffered by such Covered Person in connection with such proceeding; provided, however, that, except as provided in Section 8.3 with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify a Covered Person in connection with a proceeding (or part thereof) initiated by such Covered Person only if such proceeding (or part thereof) was authorized by the Board.

Section 8.2. **Right to Advancement of Expenses.** In addition to the right to indemnification conferred in Section 8.1, a Covered Person shall also have the right to be paid by the Corporation the expenses (including, without limitation, attorneys' fees) incurred in defending, testifying, or otherwise participating in any such proceeding in advance of its final disposition (hereinafter an ***"advancement of expenses");*** provided, however, that, if the DGCL requires, an advancement of expenses incurred by a Covered Person in his or her capacity as a director or officer of the Corporation (and not in any other capacity in which service was or is rendered by such Covered Person, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an ***"undertaking"),*** by or on behalf of such Covered Person, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a ***"final adjudication")*** that such Covered Person is not entitled to be indemnified for such expenses under this Article VIII or otherwise.

Section 8.3. **Right of Indemnitee to Bring Suit.** If a claim under Section 8.1 or Section 8.2 is not paid in full by the Corporation within 60 days after a written claim therefor has been received by the Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be 20 days, the Covered Person may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Covered Person shall also be entitled to be paid the expense of prosecuting or defending such suit. In (a) any suit brought by the Covered Person to enforce a right to indemnification hereunder (but not in a suit brought by a Covered Person to enforce a right to an advancement of expenses) it shall be a defense that, and (b) in any suit brought by the Corporation to recover an advancement of

expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that, the Covered Person has not met any applicable standard for indemnification set forth in the DGCL. Neither the failure of the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the Covered Person is proper in the circumstances because the Covered Person has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including a determination by its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) that the Covered Person has not met such applicable standard of conduct, shall create a presumption that the Covered Person has not met the applicable standard of conduct or, in the case of such a suit brought by the Covered Person, shall be a defense to such suit. In any suit brought by the Covered Person to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Covered Person is not entitled to be indemnified, or to such advancement of expenses, under this Article VIII or otherwise shall be on the Corporation.

Section 8.4. **Non-Exclusivity of Rights.** The rights provided to Covered Persons pursuant to this Article VIII shall not be exclusive of any other right which any Covered Person may have or hereafter acquire under applicable law, the Certificate of Incorporation, these Bylaws, an agreement, a vote of stockholders or disinterested directors, or otherwise.

Section 8.5. **Insurance.** The Corporation may maintain insurance, at its expense, to protect itself and/or any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

Section 8.6. **Indemnification of Other Persons.** This Article VIII shall not limit the right of the Corporation to the extent and in the manner authorized or permitted by law to indemnify and to advance expenses to persons other than Covered Persons. Without limiting the foregoing, the Corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation and to any other person who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan, to the fullest extent of the provisions of this Article VIII with respect to the indemnification and advancement of expenses of Covered Persons under this Article VIII.

Section 8.7. **Amendments.** Any repeal or amendment of this Article VIII by the Board or the stockholders of the Corporation or by changes in applicable law, or the adoption of any other provision of these Bylaws inconsistent with this Article VIII, will, to the extent permitted by applicable law, be prospective only (except to the extent such amendment or change in applicable law permits the Corporation to provide broader indemnification rights to Covered Persons on a retroactive basis than permitted prior thereto), and will not in any way diminish or adversely affect any right or protection existing hereunder in respect of any act or omission occurring prior to such repeal or amendment or adoption of such inconsistent provision.

Section 8.8. **Certain Definitions.** For purposes of this Article VIII, (a) references to "other enterprise" shall include any employee benefit plan; (b) references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; (c) references to "serving at the request of the Corporation" shall include any service that imposes duties on, or involves services by, a person with respect to any employee benefit plan, its participants, or beneficiaries; and (d) a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interest of the Corporation" for purposes of Section 145 of the DGCL.

Section 8.9. **Contract Rights.** The rights provided to Covered Persons pursuant to this Article VIII shall be contract rights and such rights shall continue as to a Covered Person who has ceased to be a director, officer, agent or employee and shall inure to the benefit of the Covered Person's heirs, executors and administrators.

Section 8.10. **Severability.** If any provision or provisions of this Article VIII shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Article VIII shall not in any way be affected or impaired thereby; and (b) to the fullest extent possible, the provisions of this Article VIII (including, without limitation, each such portion of this Article VIII containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

ARTICLE IX.
MISCELLANEOUS

Section 9.1. **Place of Meetings.** If the place of any meeting of stockholders, the Board or committee of the Board for which notice is required under these Bylaws is not designated in the notice of such meeting, such meeting shall be held at the principal business office of the Corporation; provided, however, if the Board has, in its sole discretion, determined that a meeting shall not be held at any place, but instead shall be held by means of remote communication pursuant to Section 9.5 hereof, then such meeting shall not be held at any place.

Section 9.2. **Fixing Record Dates.**

(a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall not be more than 60 nor less than 10 days before the date of such meeting. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the business day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

(c) In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which date shall not be more than 10 days after the date upon which the resolution fixing the record date is adopted by the Board. If no record date has been fixed by the Board, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board is otherwise required, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in the State of Delaware, its principal place of business, or the Secretary. Delivery made to the Corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board and prior action by the Board is otherwise required, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board adopts the resolution taking such prior action.

Section 9.3. **Means of Giving Notice.**

(a) Notice to Directors. Whenever under applicable law, the Certificate of Incorporation or these Bylaws notice is required to be given to any director, such notice shall be given either (i) in writing and sent by hand delivery, through the United States mail, or by a nationally recognized overnight delivery service for next day delivery, (ii) by means of facsimile telecommunication or other form of electronic transmission, or (iii) by oral notice given personally or by telephone. A notice to a director will be deemed given as follows: (i) if given by hand delivery, orally, or by telephone, when actually received by the director, (ii) if sent through the United States mail, when deposited in the United States mail, with postage and fees thereon prepaid, addressed to the director at the director's address appearing on the records of the Corporation, (iii) if sent for next day delivery by a nationally recognized overnight delivery service, when deposited with such service, with fees thereon prepaid, addressed to the director at the director's address appearing on the records of the Corporation, (iv) if sent by facsimile telecommunication, when sent to the facsimile transmission number for such director appearing on the records of the Corporation, (v) if sent by electronic mail, when sent to the electronic mail address for such director appearing on the records of the Corporation, or (vi) if sent by any other form of electronic transmission, when sent to the address, location or number (as applicable) for such director appearing on the records of the Corporation.

(b) Notice to Stockholders. Whenever under applicable law, the Certificate of Incorporation or these Bylaws notice is required to be given to any stockholder, such notice may be given (i) in writing and sent either by hand delivery, through the United States mail, or by a nationally recognized overnight delivery service for next day delivery, or (ii) by means of a form of electronic transmission consented to by the stockholder, to the extent permitted by, and subject to the conditions set forth in, Section 232 of the DGCL. A notice to a stockholder shall be deemed given as follows: (i) if given by hand delivery, when actually received by the stockholder, (ii) if sent through the United States mail, when deposited in the United States mail, with postage and fees thereon prepaid, addressed to the stockholder at the stockholder's address appearing on the stock ledger of the Corporation, (iii) if sent for next day delivery by a nationally recognized overnight delivery service, when deposited with such service, with fees thereon prepaid, addressed to the stockholder at the stockholder's address appearing on the stock ledger of the Corporation, and (iv) if given by a form of electronic transmission consented to by the stockholder to whom the notice is given and otherwise meeting the requirements set forth above, (A) if by facsimile transmission, when directed to a number at which the stockholder has consented to receive notice, (B) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice, (C) if by a posting on an electronic network together with separate notice to the stockholder of such specified posting, upon the later of (1) such posting and (2) the giving of such separate notice, and (D) if by any other form of electronic transmission, when directed to the stockholder. A stockholder may revoke such stockholder's consent to receiving notice by means of electronic communication by giving written notice of such revocation to the Corporation. Any such consent shall be deemed revoked if (1) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent and (2) such inability becomes known to the Secretary or an Assistant Secretary or to the Corporation's transfer agent, or other person responsible for the giving of notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

(c) Electronic Transmission. ***"Electronic transmission"*** means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process, including but not limited to transmission by telex, facsimile telecommunication, electronic mail, telegram and cablegram.

(d) Notice to Stockholders Sharing Same Address. Without limiting the manner by which notice otherwise may be given effectively by the Corporation to stockholders, any notice to stockholders given by the Corporation under any provision of the DGCL, the Certificate of Incorporation or these Bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. A stockholder may revoke such stockholder's consent by delivering written notice of such revocation to the Corporation. Any stockholder who fails to object in writing to the Corporation within 60 days of having been given written notice by the Corporation of its intention to send such a single written notice shall be deemed to have consented to receiving such single written notice.

(e) Exceptions to Notice Requirements. Whenever notice is required to be given, under the DGCL, the Certificate of Incorporation or these Bylaws, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the Corporation is such as to require the filing of a certificate with the Secretary of State of Delaware, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

Whenever notice is required to be given by the Corporation, under any provision of the DGCL, the Certificate of Incorporation or these Bylaws, to any stockholder to whom (1) notice of two consecutive annual meetings of stockholders and all notices of stockholder meetings or of the taking of action by written consent of stockholders without a meeting to such stockholder during the period between such two consecutive annual meetings, or (2) all, and at least two payments (if sent by first-class mail) of dividends or interest on securities during a 12-month period, have been mailed addressed to such stockholder at such stockholder's address as shown on the records of the Corporation and have been returned undeliverable, the giving of such notice to such stockholder shall not be required. Any action or meeting which shall be taken or held without notice to such stockholder shall have the same force and effect as if such notice had been duly given. If any such stockholder shall deliver to the Corporation a written notice setting forth such stockholder's then current address, the requirement that notice be given to such stockholder shall be reinstated. In the event that the action taken by the Corporation is such as to require the filing of a certificate with the Secretary of State of Delaware, the certificate need not state that notice was not given to persons to whom notice was not required to be given pursuant to Section 230(b) of the DGCL. The exception in subsection (1) of the first sentence of this paragraph to the requirement that notice be given shall not be applicable to any notice returned as undeliverable if the notice was given by electronic transmission.

Section 9.4. **Waiver of Notice.** Whenever any notice is required to be given under applicable law, the Certificate of Incorporation, or these Bylaws, a written waiver of such notice, signed before or after the date of such meeting by the person or persons entitled to said notice, or a waiver by electronic transmission by the person entitled to said notice, shall be deemed equivalent to such required notice. All such waivers shall be kept with the books of the Corporation. Attendance at a meeting shall constitute a waiver of notice of such meeting, except where a person attends for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 9.5. **Meeting Attendance via Remote Communication Equipment.**

(a) Stockholder Meetings. If authorized by the Board in its sole discretion, and subject to such guidelines and procedures as the Board may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication:

(i) participate in a meeting of stockholders; and

(ii) be deemed present in person and vote at a meeting of stockholders,whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (A) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder, (B) the Corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (C) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such votes or other action shall be maintained by the Corporation.

(b) Board Meetings. Unless otherwise restricted by applicable law, the Certificate of Incorporation, or these Bylaws, members of the Board or any committee thereof may participate in a meeting of the Board or any committee thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 9.6. **Dividends.** The Board may from time to time declare, and the Corporation may pay, dividends (payable in cash, property or shares of the Corporation's capital stock) on the Corporation's outstanding shares of capital stock, subject to applicable law and the Certificate of Incorporation.

Section 9.7. **Reserves.** The Board may set apart out of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve.

Section 9.8. **Contracts and Negotiable Instruments.** Except as otherwise provided by applicable law, the Certificate of Incorporation or these Bylaws, any contract, bond, deed, lease, mortgage or other instrument may be executed and delivered in the name and on behalf of the Corporation by such officer or officers or other employee or employees of the Corporation as the Board may from time to time authorize. Such authority may be general or confined to specific instances as the Board may determine. The Chairman of the Board, the President or any Vice President may execute and deliver any contract, bond, deed, lease, mortgage or other instrument in the name and on behalf of the Corporation. Subject to any restrictions imposed by the Board, the Chairman of the Board, President or any Vice President may delegate powers to execute and deliver any contract, bond, deed, lease, mortgage or other instrument in the name and on behalf of the Corporation to other officers or employees of the Corporation under such person's supervision and authority, it being understood, however, that any such delegation of power shall not relieve such officer of responsibility with respect to the exercise of such delegated power.

Section 9.9. **Fiscal Year.** The fiscal year of the Corporation shall be fixed by the Board.

Section 9.10. **Seal.** The Board may adopt a corporate seal which shall be in such form as the Board determines. The seal may be used by causing it or a facsimile thereof to be impressed, affixed or otherwise reproduced.

Section 9.11. **Books and Records.** The books and records of the Corporation may be kept within or outside the State of Delaware at such place or places as may from time to time be designated by the Board.

Section 9.12. **Resignation.** Any director, committee member or officer may resign by giving notice thereof in writing or by electronic transmission to the Chairman of the Board, the President or the Secretary. The resignation shall take effect at the time specified therein, or at the time of receipt of such notice if no time is specified or the specified time is earlier than the time of such receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 9.13. **Surety Bonds.** Such officers, employees and agents of the Corporation (if any) as the Chairman of the Board, President or the Board may direct, from time to time, shall be bonded for the faithful performance of their duties and for the restoration to the Corporation, in case of their death, resignation, retirement, disqualification or removal from office, of all books, papers, vouchers, money and other property of whatever kind in their possession or under their control belonging to the Corporation, in such amounts and by such surety companies as the Chairman of the Board, President or the Board may determine. The premiums on such bonds shall be paid by the Corporation and the bonds so furnished shall be in the custody of the Secretary.

Section 9.14. **Securities of Other Corporations.** Powers of attorney, proxies, waivers of notice of meeting, consents in writing and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the Chairman of the Board, President or any Vice President. Any such officer may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation in which the Corporation may own securities, or to consent in writing, in the name of the Corporation as such holder, to any action by such corporation, and at any such meeting or with respect to any such consent shall possess and may exercise any and all rights and power incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed. The Board may from time to time confer like powers upon any other person or persons.

Section 9.15. **Amendments.** The Board shall have the power to adopt, amend, alter or repeal the Bylaws. The Bylaws also may be adopted, amended, altered or repealed by the stockholders.

Exhibit 4.2

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "***Agreement***"), dated as of June 8, 2007, is made and entered into by and among SunTx CPI Growth Company, Inc., a Delaware corporation (the "***Company***"), and the other persons listed on the signature page attached hereto or executing an addendum hereto as contemplated by Section 4.02 of this Agreement (each a "***Holder***" and collectively the "***Holders***").

WITNESSETH:

WHEREAS, the Company and the Holders desire to enter into this Agreement, pursuant to which the Company will grant the Holders certain registration rights with respect to certain securities of the Company, as set forth in this Agreement;

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

ARTICLE I
DEFINITIONS

1.01 **Definitions.** The terms defined in this Article I shall have for all purposes of this Agreement the respective meanings set forth below:

"***Board***" shall mean the Board of Directors of the Company.

"***Common Stock***" shall mean the Common Stock, par value $0.001 per share, of the Company, and any other class of capital stock of the Company that is duly authorized and issued from time to time that does not have preferential rights as to dividends or distributions of the Company's assets over any other class of capital stock of the Company, including any shares issued in exchange for shares of Common Stock upon any recapitalization by the Company.

"***Demand Registration***" shall mean a demand registration described in Section 2.01.

"***Exchange Act***" shall mean the Securities Exchange Act of 1934, as it may be amended from time to time.

"***IPO***" shall mean the initial public offering of the Common Stock by the Company;*provided, however*, that in no event shall any offering made pursuant to a Demand Registration be an IPO.

"***Long-Form Registration***" shall mean a Registration effected through the filing with the SEC of a Form S-1 or any successor form or similar form for registration under the Securities Act.

"***Misstatement***" shall mean an untrue statement of a material fact or an omission to state a material fact required to be stated in a Registration Statement or Prospectus or necessary to make the statements in a Registration Statement or Prospectus not misleading.

"***Person***" shall mean a natural person, partnership, corporation, business trust, association, joint venture or other entity or a government or agency or political subdivision thereof.

"***Piggyback Registration***" shall mean a piggyback registration described in Section 2.02.

"***Prospectus***" shall mean the prospectus included in any Registration Statement, as supplemented by any and all prospectus supplements and as amended by any and all post-effective amendments and including all material incorporated by reference in such prospectus.

"***Purchase Agreements***" shall mean (a) the Stock Purchase Agreement, dated the date hereof, between the Company and SunTx CPI Expansion Fund, L.P. (the "***Expansion Fund***"), providing for the issuance, from time to time, of shares of Common Stock to the Expansion Fund, (b) the Securities Purchase Agreement, dated the date hereof, between the Company and The Northwestern Mutual Life Insurance Company in connection with the issue and sale by the Company of the Company's Adjusting Rate Senior Securities due June 30, 2015 in the aggregate principal amount of $30,000,000, and (c) such other purchase agreements or other instruments as are entered into from time to time by the Company and one or more of the Holders that provide for the issuance of shares of Common Stock or warrants or other securities exercisable or convertible for shares of Common Stock to such Holders.

"***Registrable Security***" shall mean (a) an outstanding share of Common Stock held by a Holder on the date of this Agreement or issued by the Company to a Holder, after the date of this Agreement, pursuant to any Purchase Agreement, (b) any share of Common Stock issuable pursuant to the exercise of a warrant or other security exercisable or convertible for shares of Common Stock held by a Holder on the date of this Agreement or issued by the Company to a Holder, after the date of this Agreement, pursuant to any Purchase Agreement, and (c) any security of the Company issued or issuable with respect to such Common Stock by way of a stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or reorganization; *provided, however*, that, any such share or security shall be deemed to be Registrable Security only if and so long as it is a Transfer Restricted Security.

"***Registration***" shall mean a Demand Registration, whether such Demand Registration is effected as a Long-Form Registration or a Short-Form Registration, and a Piggyback Registration.

"***Registration Expenses***" shall mean the out-of-pocket expenses of a Registration, including without limitation the following:

(a) all registration and filing fees (including fees with respect to filings required to be made with the National Association of Securities Dealers, Inc.) and any securities exchange on which the Common Stock is then listed;

(b) fees and expenses of compliance with securities or blue sky laws (including reasonable fees and disbursements of counsel for the underwriters in connection with blue sky qualifications of the Registrable Securities);

(c) printing, messenger, telephone and delivery expenses;

(d) reasonable fees and disbursements of counsel for the Company;

(e) reasonable fees and disbursements of all independent certified public accountants of the Company incurred specifically in connection with such Registration; and

(f) reasonable fees and disbursements of one (1) counsel for the Requesting Holders, which counsel shall be selected by the Requesting Holders holding a majority of the Registrable Securities to be registered for offer and sale in the applicable Registration.

"***Registration Statement***" shall mean any registration statement which covers Registrable Securities pursuant to the provisions of this Agreement, including the Prospectus included in such registration statement, amendments (including post-effective amendments) and supplements to such registration statement, and all exhibits to and all material incorporated by reference in such registration statement.

"***SEC***" shall mean the Securities and Exchange Commission.

"***Securities Act***" shall mean the Securities Act of 1933, as amended from time to time.

"***Short-Form Registration***" shall mean a Registration effected through the filing with the SEC of a Form S-3 or any successor form or similar form for registration under the Securities Act.

"***Transfer Restricted Security***" shall mean an issued and outstanding security that has not been sold to or through a broker, dealer or underwriter in a public distribution or other public securities transaction or sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act under Rule 144(k) promulgated thereunder (or any successor rule) other than Rule 144A.

"***Underwritten Registration***" or "***Underwritten Offering***" shall mean a Registration in which securities of the Company are sold to an underwriter in a firm commitment underwriting for distribution to the public.

ARTICLE II
REGISTRATIONS

2.01 **Demand Registration.** Subject to the restrictions set forth below, if at any time after the date that is six (6) months after the consummation of the IPO the Company shall receive from the Holders (the "***Requesting Holders***") owning as of the date of such request at least twenty percent (20%) of the then outstanding shares of Registrable Securities a written request to

register at least fifty percent (50%) of the aggregate number of Registrable Securities owned by all of the Requesting Holders as of the date of such request, then the Company will give notice of such request to all Holders within ten (10) days of receiving such request and shall effect as soon thereafter as practicable, and in any event within forty-five (45) days of the receipt of such request, the Registration under the Securities Act of all Registrable Securities which any Holder requests to be registered. The Company shall not be obligated to effect, or to take any action to effect, any such registration pursuant to this Section 2.01:

(a) during the period starting with the date sixty (60) days prior to the Company's good faith estimate of the date of filing of, and ending on a date one hundred eighty (180) days after the effective date of, a Company-initiated Registration; provided that the Company has delivered notice of such Registration to the Holders prior to its receipt of the Holders' written request for a demand Registration, and it continues to actively employ in good faith all reasonable efforts to cause such Registration Statement to become effective; or

(b) if the Holders have requested an Underwritten Registration, the Company and the Holders are unable to obtain the commitment of underwriters to firmly underwrite the offer; or

(c) if the managing underwriter or other investment banker advising the Company provides the Board of Directors with a good faith estimate that the gross proceeds of the sale of such Registrable Securities is not likely to exceed Five Million Dollars ($5,000,000); or

(d) if in the good faith judgment of the Board of Directors of the Company, such registration would be seriously detrimental to the Company and the Board of Directors of the Company concludes, as a result, that it is essential to defer the filing of such Registration Statement at such time, and the Company shall furnish to such Holders a certificate signed by the President of the Company stating that in the good faith judgment of the Board of Directors of the Company, it would be seriously detrimental to the Company for such Registration Statement to be filed in the near future and that it is, therefore, essential to defer the filing of such Registration Statement. In such event, the Company shall have the right to defer such filing (except as provided in subparagraph (a) above) for a period of not more than one hundred eighty (180) days after receipt of the request of the Holders; *provided, however*, that the Company shall not defer its obligation in this manner more than once in any 12-month period.

Furthermore, the Company shall not be required to effect more than two (2) Long-Form Registrations under this Section 2.01 on behalf of the Holders; *provided, however*, that a Registration shall not be counted for such purposes unless such Long-Form Registration has become effective and all of the Registrable Securities requested by the Requesting Holders to be registered on behalf of the Requesting Holders in such Long-Form Registration have been sold, in accordance with Section 3.01(a) of this Agreement. The Company shall be required to effect an unlimited number of Short-Form Registrations under this Section 2.01 on behalf of the Holders; *provided, however*, that the Company will not be obligated to effect any such Short-Form Registration:

(a) if Form S-3 is not available for such offering;

(b) if in the good faith judgment of the Board of Directors of the Company, such registration would be seriously detrimental to the Company and the Board of Directors of the Company concludes, as a result, that it is essential to defer the filing of such Registration Statement at such time, and the Company shall furnish to such Holders a certificate signed by the President of the Company stating that in the good faith judgment of the Board of Directors of the Company, it would be seriously detrimental to the Company for such Registration Statement to be filed in the near future and that it is, therefore, essential to defer the filing of such Registration Statement. In such event, the Company shall have the right to defer such filing (except as provided in subparagraph (a) above) for a period of not more than one hundred eighty (180) days after receipt of the request of the Holders; *provided, however*, that the Company shall not defer its obligation in this manner more than once in any 12-month period;

(c) if the Company has effected one (1) Short-Form Registration within the six (6) month period prior to the current request for Short-Form Registration; or

(d) if the Registrable Securities to be covered by such registration statement do not, in the aggregate, exceed $5,000,000.

2.02 **Piggyback Registration.** Each time the Company decides to file a Registration Statement under the Securities Act (other than on Forms S-4 or S-8 or any successor form for the registration of securities issued or to be issued in connection with a merger or acquisition or employee benefit plan), the Company shall give written notice thereof to the Holders. The Company shall include in such Registration Statement such Registrable Securities for which it has received written requests for registration within thirty (30) days after such written notice has been given. If in the good faith judgment of the managing underwriter in any Underwritten Offering, the inclusion of all of the Registrable Securities and any other Common Stock (including shares of Common Stock issued or issuable upon the exercise or conversion of other securities of the Company) requested to be registered by third parties holding similar registration rights (the "***Other Securities***") would interfere with the successful marketing of a smaller number of such securities, then the number of Registrable Securities and Other Securities to be included in the offering (except for shares to be issued by the Company in an offering initiated by the Company) shall be reduced as provided herein. The Company shall advise all holders of securities requesting registration of the underwriters' decision, and the number of securities that are entitled to be included in the Underwritten Registration shall be allocated first to the Company for securities being sold for its own account and thereafter as set forth in Section 2.03 below. If any Person does not agree to the terms of any such underwriting, such Person shall be excluded therefrom by written notice from the Company or the underwriter. Any Registrable Securities or Other Securities excluded or withdrawn from such underwriting shall be withdrawn from such Registration. If securities are so withdrawn from the Registration and if the number of Registrable Securities and Other Securities to be included in such Registration was previously reduced as a result of marketing factors, the Company shall then offer to all persons who have retained the right to include securities in the Registration the right to include additional securities in the Registration in an aggregate amount equal to the number of securities so withdrawn, with such securities to be allocated among the persons requesting additional inclusion in accordance with Section 2.03 below.

2.03 **Registration Cutback.** In any circumstance in which all of the Registrable Securities and Other Securities requested to be included in a Registration on behalf of the Holders or other selling stockholders cannot be so included as a result of limitations of the aggregate number of Registrable Securities and Other Securities that may be so included, the number of Registrable Securities and Other Securities that may be so included shall be allocated among the Holders and other selling stockholders requesting inclusion of Other Securities pro rata on the basis of the number of Registrable Securities and Other Securities that would be held by such Holders and other selling stockholders, assuming conversion. If any Holder or other selling stockholder does not request inclusion of the maximum number of shares of Registrable Securities and Other Securities allocated to such Holder or other selling stockholder pursuant to the above-described procedure, the remaining portion of such Holder's or other selling stockholder's allocation shall be reallocated among those requesting Holders and other selling stockholders whose allocations did not satisfy their requests, pro rata on the basis of the number of Registrable Securities and Other Securities which would be held by such Holders and other selling stockholders, assuming conversion, and this procedure shall be repeated until all of the shares of Registrable Securities and Other Securities which may be included in the registration on behalf of Holders and other selling stockholders have been so allocated.

2.04 **Cancellation of Registration.** A majority of the Requesting Holders shall have the right to cancel a proposed Registration of Registrable Securities pursuant to Section 2.01 when, (i) in their discretion, market conditions are so unfavorable as to be seriously detrimental to an offering pursuant to such Registration or (ii) the request for cancellation is based upon material adverse information relating to the Company that is different from the information known to the Requesting Holders at the time of their written request for a Demand Registration. Such cancellation of a Registration shall not be counted as one of the two (2) Long-Form Registrations provided for in Section 2.01 above and notwithstanding anything to the contrary in this Agreement, the Company shall be responsible for the expenses of the Requesting Holders incurred in connection with the Registration prior to the time of such cancellation.

ARTICLE III
COMPANY PROCEDURES

3.01 **General Procedures.** If and whenever the Company is required to register Registrable Securities, the Company will use its best efforts to effect such Registration to permit the sale of such Registrable Securities in accordance with the intended plan of distribution thereof, and pursuant thereto the Company will as expeditiously as possible:

(a) prepare and file with the SEC as soon as practicable a Registration Statement with respect to such Registrable Securities and use its reasonable best efforts to cause such Registration Statement to become effective and remain effective until the Registrable Securities covered by such Registration Statement have been sold;

(b) prepare and file with the SEC such amendments and post-effective amendments to the Registration Statement, and such supplements to the Prospectus, as may be requested by the Holders or any underwriter of Registrable Securities or as may be required by the rules, regulations or instructions applicable to the registration form used by the Company or by the Securities Act or rules and regulations thereunder to keep the Registration Statement effective until all Registrable Securities covered by such Registration Statement are sold in accordance with the intended plan of distribution set forth in such Registration Statement or supplement to the Prospectus;

(c) deliver to the Holders and the underwriters, if any, without charge, as many copies of each Prospectus (and each preliminary prospectus) as such Persons may reasonably request (the Company hereby consenting to the use of each such Prospectus (or preliminary prospectus) by the selling Holders and the underwriters, if any, in connection with the offering and sale of the Registrable Securities covered by such Prospectus (or preliminary prospectus) and a reasonable number of copies of the then-effective Registration Statement and any post-effective amendments thereto and any supplements to the Prospectus, including financial statements and schedules, all documents incorporated therein by reference and all exhibits (including those incorporated by reference);

(d) prior to any public offering of Registrable Securities, register or qualify or cooperate with the Holders, the underwriters, if any, and their respective counsel in connection with the registration or qualification of such Registrable Securities for offer and sale under the securities or blue sky laws of such jurisdictions as such selling Holders or underwriters may designate in writing and do anything else necessary or advisable to enable the disposition in such jurisdictions of the Registrable Securities covered by the Registration Statement; *provided, however*, that the Company shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified or to take any action which would subject it to general service of process in any such jurisdiction where it is not then so subject;

(e) cause all such Registrable Securities to be listed on each securities exchange or automated quotation system on which similar securities issued by the Company are then listed;

(f) provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such Registration Statement;

(g) advise each seller of such Registrable Securities, promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the SEC suspending the effectiveness of such Registration Statement or the initiation or threatening of any proceeding for such purpose and promptly use its reasonable best efforts to prevent the issuance of any stop order or to obtain its withdrawal if such stop order should be issued;

(h) at least three (3) days prior to the filing of any Registration Statement or prospectus or any amendment or supplement to such Registration Statement or prospectus or any document that is to be incorporated by reference into such Registration Statement or prospectus, furnish a copy thereof to each seller of such Registrable Securities or its counsel;

(i) notify the Holders at any time when a prospectus relating to such Registration Statement is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such Registration Statement, as then in effect, includes a Misstatement, and then to correct such Misstatement as set forth in Section 3.04;

(j) permit a representative of the Holders, the underwriters, if any, and any attorney or accountant retained by such Holders or underwriter to participate, at each such Person's own expense, in the preparation of the Registration Statement, and cause the Company's officers, directors and employees to supply all information reasonably requested by any such representative, underwriter, attorney or accountant in connection with the Registration; *provided, however*, that such representatives or underwriters enter into a confidentiality agreement, in form and substance reasonably satisfactory to the Company, prior to the release or disclosure of any such information;

(k) obtain a "cold comfort" letter from the Company's independent public accountants in the event of an Underwritten Registration, in customary form and covering such matters of the type customarily covered by "cold comfort" letters as the managing underwriter may reasonably request, and reasonably satisfactory to a majority in interest of the participating Holders;

(l) on the date the Registrable Securities are delivered for sale pursuant to such Registration, obtain an opinion, dated such date, of counsel representing the Company for the purposes of such Registration, addressed to the Holders, the placement agent or sales agent, if any, and the underwriters, if any, covering such legal matters with respect to the Registration in respect of which such opinion is being given as the Holders, placement agent, sales agent, or underwriter may reasonably request and as are customarily included in such opinions, and reasonably satisfactory to a majority in interest of the participating Holders;

(m) in the event of any Underwritten Offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering;

(n) make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve months beginning with the first day of the Company's first full calendar quarter after the effective date of the Registration Statement which satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(o) in connection with the first two Demand Registrations that are Underwritten Offerings following the IPO, use its reasonable efforts to make available senior executives of the Company and its subsidiaries to participate in customary "road show" presentations that may be reasonably requested by the underwriter in such Underwritten Offering; and

(p) otherwise cooperate reasonably with, and take such customary actions as may reasonably be requested by the Holders, in connection with such Registration.

3.02 **Registration Expenses.** The Registration Expenses of all Registrations shall be borne by the Company. It is acknowledged by the Holders that the Holders will bear all incremental selling expenses relating to the sale of the Registrable Securities, such as underwriters' commissions and discounts, brokerage fees, underwriter marketing costs and, other than as set forth in the definition of "Registration Expenses," all fees and expenses of any legal counsel representing the Holders.

3.03 **Requirements for Participation in Underwritten Offerings.** No person may participate in any Underwritten Offering for equity securities of the Company pursuant to a Registration initiated by the Company hereunder unless such Person (a) agrees to sell such Person's securities on the basis provided in any underwriting arrangements approved by the Company and (b) completes and executes all questionnaires, powers of attorney, indemnities, lock-up agreements, underwriting agreements and other documents required under the terms of such underwriting arrangements.

3.04 **Suspension of Sales.** Upon receipt of written notice from the Company that a Registration Statement or Prospectus contains a Misstatement, each of the Holders shall forthwith discontinue disposition of Registrable Securities until it has received copies of a supplemented or amended Prospectus correcting the Misstatement (it being understood that the Company hereby covenants to prepare and file such supplement or amendment as soon as practicable after the time of such notice), or until it is advised in writing by the Company that the use of the Prospectus may be resumed.

3.05 **Reporting Obligations.** As long as any Holder shall own Registrable Securities, the Company, at all times while it shall be reporting under the Exchange Act, covenants to file timely (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to Section 13(a) or 15(d) of the Exchange Act and to promptly furnish the Holders with true and complete copies of all such filings. The Company further covenants that it will take such further action as any Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell shares of Common Stock held by such Holder without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 promulgated under the Securities Act ("***Rule 144***"), including providing any legal opinions. Upon the request of any Holder, the Company shall deliver to such Holder a written certification of a duly authorized officer as to whether it has complied with such requirements.

3.06 **Indemnification.**

(a) The Company agrees to indemnify, to the extent permitted by law, the Holder of Registrable Securities, its officers and directors and each Person who controls such Holder (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and expenses (including attorneys' fees) caused by any untrue or alleged untrue statement of material fact contained in any Registration Statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as the same are caused by or contained in any information furnished in writing to the Company by such Holder expressly for use therein. The Company will indemnify the underwriters, their officers and directors and each Person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the Holder.

(b) In connection with any Registration Statement in which a Holder of Registrable Securities is participating, such Holder will furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such Registration Statement or prospectus and, to the extent permitted by law, will indemnify the Company, its directors and officers and agents and each Person who controls the Company (within the meaning of the Securities Act) against any losses, claims, damages, liabilities and expenses (including without limitation reasonable attorneys' fees) resulting from any untrue statement of material fact contained in the Registration Statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission is contained in any information or affidavit so furnished in writing by such Holder expressly for use therein; *provided, however*, that the obligation to indemnify will be several, not joint and several, among such Holders of Registrable Securities, and the liability of each such Holder of Registrable Securities will be in proportion to and limited to the gross proceeds received by such Holder from the sale or Registrable Securities pursuant to such Registration Statement. The Holders of Registrable Securities will indemnify the underwriters, their officers, directors and each Person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to indemnification of the Company.

(c) Any Person entitled to indemnification herein will (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice shall not impair any Person's right to indemnification hereunder to the extent such failure has not materially prejudiced the indemnifying party) and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified

parties with respect to such claim. No indemnifying party shall, without the consent of the indemnified party, consent to the entry of any judgment or enter into any settlement which cannot be settled in all respects by the payment of money (and such money is so paid by the indemnifying party pursuant to the terms of such settlement) or which settlement does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.

(d) The indemnification provided for under this Agreement will remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling person of such indemnified party and will survive the transfer of securities. The Company and each Holder of Registrable Securities participating in the offering also agrees to make such provisions as are reasonably requested by any indemnified party for contribution to such party in the event the Company's or such holder's indemnification is unavailable for any reason.

(e) If the indemnification provided for in this Section 3.06 from the indemnifying party is unavailable or insufficient to hold harmless an indemnified party in respect of any losses, claims, damages, liabilities and expenses referred to herein, then the indemnifying party, in lieu of indemnifying the indemnified party, shall contribute to the amount paid or payable by the indemnified party as a result of such losses, claims, damages, liabilities and expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party and the indemnified party, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and indemnified party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, was made by, or relates to information supplied by, such indemnifying party or indemnified party, and the indemnifying party's and indemnified party's relative intent, knowledge, access to information and opportunity to correct or prevent such action; *provided, however*, that the liability of any Holder under this Section 3.06(f) shall be limited to the amount of the gross proceeds received by such Holder in the offering giving rise to such liability. The amount paid or payable by a party as a result of the losses or other liabilities referred to above shall be deemed to include, subject to the limitations set forth in subsections (a) through (c) above, any legal or other fees, charges or expenses reasonably incurred by such party in connection with any investigation or proceeding. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 3.06(f) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 3.06(f). No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution pursuant to this Section 3.06(f) from any Person who was not guilty of such fraudulent misrepresentation.

3.07 **Restrictions on Public Sales.** In consideration of the agreements contemplated herein, the Holders and the Company further agree to the following restrictions:

(a) Each Holder of Registrable Securities, if the Company or the managing underwriters so request in connection with any Underwritten Registration of the Company's securities, will not, without the prior written consent of the Company or such underwriters, effect any sale of the Registrable Securities to the public pursuant to a public offering or otherwise, including any sale pursuant to Rule 144 (each of the foregoing, a "***Prohibited Sale***"), during the seven (7) days prior to, and during the one hundred eighty (180) day period commencing on, the effective date of such Underwritten Registration, except in connection with such Underwritten Registration; *provided*, *however*, that the foregoing shall not apply to restrict the sale by any Stockholder who together with any of its Affiliates, as such term is defined in the Securities Act, holds less than two percent (2%) of the Common Stock on a fully diluted basis. The restrictions of this Section 3.07(a) shall not be waived or modified with respect to any Holder of Registrable Securities unless such restrictions are so waived or modified with respect to all of the Holders of Registrable Securities.

(b) The Company agrees not to effect any Prohibited Sale or other distribution of its equity securities, or any securities convertible into or exchangeable or exercisable for such equity securities, during the period commencing on the seventh (7th) day prior to, and ending on the one hundred eightieth (180th) day following, the effective date of any underwritten Demand Registration or Piggyback Registration, except in connection with any such Underwritten Registration and except for any offering pursuant to an employee benefit plan and registered on Form S-8 (or any successor form).

ARTICLE IV
MISCELLANEOUS

4.01 **Notices.** Any notice or communication under this Agreement must be in writing and given by (a) deposit in the United States mail, addressed to the party to be notified, postage prepaid and registered or certified with return receipt requested, (b) delivery in person or by courier service providing evidence of delivery, or (c) transmission by telecopy. Each notice or communication that is mailed, delivered, or transmitted in the manner described above shall be deemed sufficiently given, served, sent, and received, in the case of mailed notices, on the third business day following the date on which it is mailed and, in the case of notices delivered by hand, courier service, or telecopy, at such time as it is delivered to the addressee (with the delivery receipt or the affidavit of messenger) or at such time as delivery is refused by the addressee upon presentation. Any notice or communication under this Agreement must be addressed to the addressee at the address set forth below such Person's signature on the signature pages to this Agreement. Any party may change its address for notice at any time and from time to time by written notice to the other parties hereto, and such change of address will become effective thirty (30) days after delivery of such notice as provided in this section.

4.02 **Successors and Assigns; Future Holders.** This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Company. No rights under this Agreement may be assigned by any Holder (an assignment of all of the foregoing, an "***Assignment***") without the prior written consent of the Company and a majority of the shares owned by the other Holders; *provided, however*, that any Holder may make an Assignment to: (i) any other Holder, (ii) any of its partners, if the Holder is a limited partnership, (iii) any entity

controlled by such Holder for purposes of estate planning, or (iv) one or more "affiliates," as such term is defined in the Securities Act, in each case in connection with the sale or other transfer of any or all of such Holder's Registrable Securities to such assignee (a "***Permitted Assignment***"), upon written notice to the remaining Holders and the Company. As a condition to the effectiveness of any Permitted Assignment under this Agreement, the assignee shall execute an addendum to this Agreement (in form and substance satisfactory to the Company and its counsel), which evidences the assignee's agreement to take the Registrable Securities subject to the terms of this Agreement. With respect to any person who is subsequently issued Registrable Securities by the Company after the date of this Agreement prior to becoming a Holder hereunder, the Company shall, as a condition to issuing such securities, cause such person to execute an addendum to this Agreement (in form and substance satisfactory to the Company and its counsel), evidencing that such person is a Holder and shall have the rights of a Holder hereunder, subject to the terms and conditions of this Agreement.

4.03 **Counterparts.** This Agreement may be executed in multiple counterparts (including facsimile counterparts), each of which shall be deemed an original, and all of which together shall constitute the same instrument, but only one of which need be produced.

4.04 **Governing Law; Venue.** NOTWITHSTANDING THE PLACE WHERE THIS AGREEMENT MAY BE EXECUTED BY ANY OF THE PARTIES HERETO, THE PARTIES EXPRESSLY AGREE THAT THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF DELAWARE AS APPLIED TO AGREEMENTS AMONG DELAWARE RESIDENTS ENTERED INTO AND TO BE PERFORMED ENTIRELY WITHIN DELAWARE, WITHOUT REGARD TO THE CONFLICT OF LAW PROVISIONS OF SUCH JURISDICTION.

4.05 **Amendments and Modifications.** Upon the written consent of the Company and the Holders who hold at leastsixty-six and two-thirds percent (66-2/3%) of the Registrable Securities, compliance with any of the provisions, covenants and conditions set forth in this Agreement may be waived, or any of such provisions, covenants or conditions may be amended or modified; *provided, however,* that notwithstanding the foregoing, any amendment hereto or waiver hereof that adversely affects one Holder, solely in its capacity as a holder of the shares of capital stock of the Company, in a manner that is materially different from the other Holders (in such capacity) shall require the consent of the Holder so affected. No course of dealing between any Holder or the Company and any other party hereto or any failure or delay on the part of a Holder or the Company in exercising any rights or remedies under this Agreement shall operate as a waiver of any rights or remedies of any Holder or the Company. No single or partial exercise of any rights or remedies under this Agreement by a party shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder or thereunder by such party.

4.06 **Other Registration Rights.** The Company will not grant to any Person the right to require the Company to register any equity securities of the Company, or any securities convertible or exchangeable into or exercisable for such securities, which conflicts with the registration rights granted hereunder.

4.07 **Termination.** This Agreement shall terminate and the registration rights granted hereunder shall expire on the date that is five (5) years after the effective date of the IPO; provided that such termination and expiration shall not affect registration rights exercised prior to such date.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the date first written above.

COMPANY:

SUNTX CPI GROWTH COMPANY, INC.,
a Delaware corporation

By: /s/ Charles E. Owens
Name: Charles E. Owens
Title: Chief Executive Officer and President

Address: Stanford Corporate Center
14001 North Dallas Parkway
Suite 111
Dallas, Texas 75240
Fax: (972) 663-8904

HOLDERS:

SUNTX FULCRUM FUND, L.P.,
a Delaware limited partnership

By: SunTx Capital Partners, LP,
its general partner

By: SunTx Capital Management Corp.,
its general partner

By: /s/ Ned N. Fleming III
Name: Ned N. Fleming III
Title: President

Address: Stanford Corporate Center
14001 North Dallas Parkway
Suite 111
Dallas, Texas 75240
Fax: (972) 663-8904

SUNTX FULCRUM DUTCH INVESTORS, L.P.,
a Delaware limited partnership

By: SunTx Capital Partners, LP,
its general partner

By: SunTx Capital Management Corp.,
its general partner

By: /s/ Ned N. Fleming III
Name: Ned N. Fleming III
Title: President

Address: Stanford Corporate Center
14001 North Dallas Parkway
Suite 111
Dallas, Texas 75240
Fax: (972) 663-8904

SQUAM LAKE INVESTORS IV, L.P.,
a Delaware limited partnership

By: GPI, Inc.,
its managing general partner

By: /s/ Bill Doherty
Name: Bill Doherty
Title: Vice President

Address: Bain & Company, Inc.
131 Dartmouth St.
Boston, MA 02116
Fax: (617) 572-2150
Attn: Bill Doherty

GRACE, LTD.

By: /s/ Charles E. Owens
Charles E. Owens, its general partner

Address: 10 Chateau Place
Dothan, AL 36303
Fax: (334) 673-9864

/s/ Sidney Jackson Ware, Jr.
Sidney Jackson Ware, Jr.

Address: 1908 N. Cherokee Ave.
Dothan, AL 36303
Fax: (334) 673-9864

/s/ Alan Palmer
Alan Palmer

Address: 361 Holmes Road
Newton, Alabama 36352
Fax: (334) 673-9864

/s/ Tommy Ray Crenshaw
Tommy Ray Crenshaw

Address: 503 Riveredge Parks
Dothan, AL 36303
Fax: (334) 673-9864

/s/ C.W. Roberts, III
C.W. Roberts, III

Address: P.O. Box 188
Highway 20E
Hosford, FL 32334

/s/ John Harper
John Harper

Address: 1110 Laurel Avenue
Dothan, AL 36301

/s/ Michael McKay
Michael McKay

Address: 131 Darmouth Street
Boston, MA 02116

Exhibit 10.2

CREDIT AGREEMENT

dated as of

June 30, 2017

among

CONSTRUCTION PARTNERS, INC.,
WIREGRASS CONSTRUCTION COMPANY, INC.,
FRED SMITH CONSTRUCTION, INC.,
FSC II, LLC,
C. W. ROBERTS CONTRACTING, INCORPORATED,
and
EVERETT DYKES GRASSING CO., INC.
as Borrowers,

The Lenders Listed Herein

and

COMPASS BANK
as Agent, Sole Lead Arranger and Sole Bookrunner

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CREDIT AGREEMENT

THIS CREDIT AGREEMENT is dated as of June 30, 2017, among **CONSTRUCTION PARTNERS, INC.,** a Delaware corporation ("Construction Partners"), **WIREGRASS CONSTRUCTION COMPANY, INC.,** an Alabama corporation ("Wiregrass Construction"), **FRED SMITH CONSTRUCTION, INC.,** a North Carolina corporation ("Fred Smith Construction"), **FSC II, LLC,** a North Carolina limited liability company ("FSC"), **C. W. ROBERTS CONTRACTING, INCORPORATED,** a Florida corporation ("Roberts Contracting"), and **EVERETT DYKES GRASSING CO., INC.,** a Georgia corporation ("Everett Dykes"; and together with Construction Partners, Wiregrass Construction, Fred Smith Construction, FSC and Roberts Contracting, "Borrowers" and individually "Borrower"); the financial institutions party to this agreement from time to time as lenders (collectively, the "Lenders"); **COMPASS BANK,** a bank organized under the laws of the State of Alabama, as agent for Lenders (in such capacity, together with its successors in such capacity, "Agent") and as sole lead arranger (in such capacity, the "Lead Arranger").

Recitals:

Borrowers have requested that Lenders provide a credit facility to Borrowers to finance their mutual and collective business enterprises.

Lenders are willing to provide the credit facility on the terms and conditions set forth in this Agreement.

Statement of Agreement:

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration, receipt whereof is mutually acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.01. Definitions; Rules of Construction. The terms as defined in this Section 1.01 shall, for all purposes of this Agreement and any amendment hereto (except as otherwise expressly provided or unless the context otherwise requires), have the meanings set forth hereinbelow (terms defined in the singular to have the same meaning when used in the plural and *vice versa):*

"Account Debtor" means a Person obligated in respect of an Account, Chattel Paper or General Intangible.

"Acquisition" means any transaction or series of related transactions for the purpose of, or resulting in, directly or indirectly, (a) the acquisition by a Borrower or any Subsidiary of all or substantially all of the assets of a Person (other than a Subsidiary) or of any business or division of a Person (other than a Subsidiary), (b) the acquisition by a Borrower or any Subsidiary of more than 50% of any class of Voting Securities (or similar ownership interests) of any Person (provided that formation or organization of any Wholly Owned Subsidiary shall not constitute an "Acquisition" to the extent that the amount of the Investment in such entity is permitted by Section 6.05), or (c) a merger, consolidation, amalgamation or other combination by a Borrower or any Subsidiary with another Person (other than a Subsidiary) if such Borrower or such Subsidiary is the surviving entity; provided that in any merger involving a Borrower, such Borrower must be the surviving entity.

"Adjusted LIBOR" means, with respect to applicable to any Interest Period, a rate per annum equal to the quotient obtained (rounded upwards, if necessary, to the next higher 1/100th of 1%) by dividing (i) the applicable LIBOR for such Interest Period by (ii) 1.00 minus the Euro-Dollar Reserve Percentage.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by Agent.

"Advances" means, collectively, the Revolver Advances and the Term Loan Advances. "Advance" means any one of such Advances, as the context may require.

"Affected Lender" has the meaning set forth in Section 2.15.

"Affiliate" means, with respect to any Person, (a) any other Person which directly, or indirectly through one or more intermediaries, controls such Person, (b) any other Person which directly, or indirectly through one or more intermediaries, is controlled by or is under common control with such Person, or (c) any other Person of which such Person owns, directly or indirectly, 10% or more of the Equity Interests. As used herein, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of Voting Securities, by contract or otherwise.

"Agent's Letter Agreement" means that certain letter agreement, dated as of May 24, 2017, among Borrowers, Agent, and Lead Arranger relating to the terms of this Agreement, and certain fees from time to time payable by Borrowers to Agent and Lead Arranger.

"Agent Party" means Agent or any of its Related Parties.

"Agent Professional" means a Person at any time hired or otherwise retained by Agent in connection with Agent's performance of any of its duties, or the exercise of any of its rights or remedies, under any of the Lear Documents, including attorneys, accountants, appraisers, brokers, auctioneers, turnaround consultants, investment bankers, liquidators, and other advisors or consultants.

"Agreement" means this Credit Agreement.

"Anti-Corruption Laws" means United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions.

"Applicable Commitment Fee Rate" means the commitment fee rate set forth below:

Level	Consolidated Leverage Ratio	Applicable Commitment Fee Rate
I	< 1.25 to 1.00	0.35% per annum
II	³ 1.25 to 1.00	0.35% per annum

Until September 30, 2017, the commitment fee rate shall be determined as if Level I were applicable. Thereafter, the commitment fee rate shall be subject to increase or decrease upon receipt by Agent pursuant to Section 5.01(b) of the financial statements and corresponding Compliance Certificate for the Fiscal Quarter ending immediately prior to the period covered by such financial statements, which change

shall be effective on the first day of the calendar month following receipt of such financial statements and corresponding Compliance Certificate. If, by the first day of a month, any financial statement or Compliance Certificate due in the preceding month has not been received, then, at the option of Agent or Required Lenders, the margins shall be determined as if Level II were applicable, from such day until the first day of the calendar month following actual receipt. Agent shall have the right to re-calculate the Applicable Commitment Fee Rate at any time or from time of time if it determines that data received by it from Borrowers concerning any component of the Consolidated Leverage Ratio was incorrect when made, and Agent shall be entitled in connection therewith to charge and collection upon making such determination any additional commitment fee that would have been earned by Lenders.

"Applicable Law" means (a) all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes, executive orders, and administrative or judicial precedents or authorities (including, in each case, the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof) and (b) whether or not having the force of law, all administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case to the extent applicable to the Person, conduct, transaction, agreement or other matter in question.

"Applicable Letter of Credit Fee Rate" means the letter of credit fee rate set forth below:

Level	Consolidated Leverage Ratio	Applicable Letter of Credit Fee Rate
I	< 1.25 to 1.00	1.25% per annum
II	³ 1.25 to 1.00	1.50% per annum

Until September 30, 2017, the letter of credit fee rate shall be determined as if Level I were applicable. Thereafter, the letter of credit fee rate shall be subject to increase or decrease upon receipt by Agent pursuant to Section 5.01(b) of the financial statements and corresponding Compliance Certificate for the Fiscal Quarter ending immediately prior to the period covered by such financial statements, which change shall be effective on the first day of the calendar month following receipt of such financial statements and corresponding Compliance Certificate. If, by the first day of a month, any financial statement or Compliance Certificate due in the preceding month has not been received, then, at the option of Agent or Required Lenders, the margins shall be determined as if Level II were applicable, from such day until the first day of the calendar month following actual receipt. Agent shall have the right to re-calculate the Applicable Letter of Credit Fee Rate at any time or from time of time if it determines that data received by it from Borrowers concerning any component of the Consolidated Leverage Ratio was incorrect when made, and Agent shall be entitled in connection therewith to charge and collection upon making such determination any additional LC Fee that would have been earned by Lenders.

"Applicable Margin" means, with respect to any type of Advance, the margin set forth below:

Level	Consolidated Leverage Ratio	Applicable Margin
I	< 1.25 to 1.00	2.00%
II	³ 1.25 to 1.00	2.25%

Until September 30, 2017, margins shall be determined as if Level I were applicable. Thereafter, the margins shall be subject to increase or decrease upon receipt by Agent pursuant to Section 5.01(b) of the financial statements and corresponding Compliance Certificate for the Fiscal Quarter ending immediately prior to the period covered by such financial statements, which change shall be effective on the first day of the calendar month following receipt of such financial statements and corresponding Compliance Certificate. If, by the first day of a month, any financial statement or Compliance Certificate due in the preceding month has not been received, then, at the option of Agent or Required Lenders, the margins shall be determined as if Level II were applicable, from such day until the first day of the calendar month following actual receipt. Agent shall have the right to re-calculate the Applicable Margin at any time or from time of time if it determines that data received by it from Borrowers concerning any component of the Consolidated Leverage Ratio was incorrect when made, and Agent shall be entitled in connection therewith to charge and collection upon making such determination any additional interest that would have been earned by Lenders.

"Approved Fund" means any Fund that is administered or managed by a Lender, an Affiliate of a Lender, or a Person that administers or manages a Lender.

"Approved IPO" means an Initial Public Offering of Construction Partners on terms and conditions approved by Agent and Lenders prior to such Initial Public Offering, such approval not to be unreasonably withheld.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any Person whose consent is required by Section 11.07), and accepted by Agent, in substantially the form ofExhibit J or any other form approved by Agent.

"Availability" means, on any date of determination thereof by Agent, an amount equal to (a) the aggregate of the Revolver Commitments on such date,minus (b) the sum of (x) the principal balance of all Revolver Advances outstanding on such date and (y) the aggregate amount of LC Obligations outstanding on such date. For each Borrower, individually, Availability means, on any date of determination thereof by Agent, an amount equal to (a) such Borrower's Revolver Sublimit, minus (b) the sum of (x) the principal balance of all Revolver Advances on account of such Borrower outstanding on such date and (y) the aggregate amount of LC Obligations on account of such Borrower on such date.

"Bank Product Agreement" means any agreement evidencing or related to any Bank Product.

"Bank Products" means any one or more of the following bank products or services provided to any Loan Party by Agent or any other Lender that provides the initial funding under any Commitment on the Closing Date (but not any assignee of any of the foregoing Lenders) or any of their respective Affiliates (provided that any such Affiliate of a Lender shall have provided Agent with a fully executed designation notice acceptable to Agent), in each case solely until such Person has assigned all of its interests under this Agreement: (a) Hedging Agreements; (b) credit cards for commercial customers (including purchasing cards); (c) stored value cards; (d) merchant processing services; (e) cash management services, and (f) leases.

"Banking Relationship Debt" means, on any date and for any Loan Party, the aggregate amount of all Debt of such Loan Party and its Subsidiaries with respect to any Bank Products (including Hedging Obligations) or Cash Management Services.

"Bankruptcy Code" means title 11 of the United States Code.

"Base Rate" means for any Base Rate Advance on any day, the rate per annum equal to the highest as of such day of (a) the Prime Rate, (b) 0.5% above the Federal Funds Rate and (c) 1% above the Adjusted LIBOR for a one-month Interest Period. For purposes of determining the Base Rate for any day, changes in the Prime Rate, the Federal Funds Rate or the Adjusted LIBOR shall be effective on the date of each such change.

"Base Rate Advance" means an Advance that bears or is to bear interest at a rate based upon the Base Rate.

"Borrower Agent" shall have the meaning ascribed to it in Section 2.16.

"Borrower's Operating Account" means the demand deposit accounts maintained by all Borrowers with Agent and designated as each such Borrower's primary operating account.

"Borrowing" means a borrowing hereunder consisting of Advances (a) made, converted or continued on the same date by Lenders, in the case of Revolver Borrowings and the Term Loan Borrowings, and in the case of a Euro-Dollar Advance, as to which a single Interest Period is in effect, or (b) by Agent, in the case of Protective Advances or Overadvances pursuant to Section 2.01(e). A Borrowing is a "Revolver Borrowing" if such Advances are made pursuant to Section 2.01 (a), and a "Term Loan Borrowing" if such Advances are made pursuant to Section 2.01(b). A Borrowing is a "Base Rate Borrowing" if such Advances are Base Rate Advances and a "Euro-Dollar Borrowing" if such Advances are Euro-Dollar Advances.

"Business Day" means any day except a Saturday, Sunday or other day on which commercial banks in the State of Alabama are authorized or required by law to close.

"Capital Expenditures" means, for any period, the sum of all capital expenditures incurred during such period by Borrowers and their Consolidated Subsidiaries, as determined in accordance with GAAP.

"Capital Lease" means any lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

"Cash" means Dollars or a credit balance in Dollars in any demand deposit account with a United States federal or state chartered commercial bank of recognized standing having capital and surplus in excess of $500 million, so long as such bank has not been a Defaulting Lender and having (or its holding company having) a short-term commercial paper rating of (a) at least A-I or the equivalent by S&P or at least P-I or the equivalent by Moody's, or (b) at least A-2 or the equivalent by S&P or at least P-2 or the equivalent by Moody's (or, in the case of a current Lender only, if not rated by S&P or Moody's, such Lender is rated by another rating agency acceptable to Agent and such Lender's rating by such rating agency is not lower than its rating by such rating agency on the Closing Date) and (i) all amounts and assets credited to such account are directly and fully guaranteed or insured by the United States of America or any agency thereof (provided that the full faith and credit of the United States is pledged in support thereof) or (ii) such bank is otherwise acceptable at all times and from time to time to Agent in its discretion. Agent acknowledges that, on the Closing Date, each current Lender that is a bank is an acceptable bank within the meaning of clause (b)(ii) of this definition.

"Cash Collateralize" means to pledge and deliver to Agent, as a first priority perfected Lien for the benefit of one or more Secured Parties as provided herein, Cash as security for the Obligations, which, (a) in the case of the Undrawn Amount of Letters of Credit, shall be in an amount equal to 105% of such Undrawn Amount, and (b) in the case of Banking Relationship Debt, indemnities and other Obligations, 100% of the amount thereof, in each case pursuant to documentation that is satisfactory to Agent.

"Cash Equivalents" means (a) securities issued or directly and fully guaranteed or insured by the United States of America or any agency thereof (provided that the full faith and credit of the United States is pledged in support thereof) with maturities of not more than one year from the date acquired; (b) time deposits and certificates of deposit with maturities of not more than one year from the date acquired issued by a United States federal or state chartered commercial bank of recognized standing having capital and surplus in excess of $500 million, and which bank or its holding company has a short-term commercial paper rating of at least A-1 or the equivalent by S&P or at least P-1 or the equivalent by Moody's; and (c) investments in money market funds (i) which mature not more than 90 days from the date acquired and are payable on demand, (ii) with respect to which there has been no failure to honor a request for withdrawal, (iii) which are registered under the Investment Company Act of 1940, (iv) which have net assets of at least $500,000,000 and (v) which maintain a stable share price of not less than One Dollar ($1.00) per share and are either (A) directly and fully guaranteed or insured by the United States of America or any agency thereof (provided that the full faith and credit of the United States is pledged in support thereof) or (B) maintain a rating of at least A-2 or better by S&P and are maintained with an investment fund manager that is otherwise acceptable at all times and from time to time to Agent in its discretion; provided, however, that, notwithstanding the foregoing, no asset, agreement, or investment maintained or entered into with, or issued, guaranteed by, or administered by a Lender that has been a Defaulting Lender for more than 3 days after notice to Borrower Agent (which notice may be given by telephone or e-mail) shall be a "Cash Equivalent" hereunder.

"Cash Management Services" means any one or more of the following types of treasury management services provided to any Loan Party by Agent or any other Lender that provides the initial funding under a Commitment on the Closing Date (but not any assignee of any of the foregoing Lenders) or any of their respective Affiliates (provided that any such Affiliate of a Lender shall have provided Agent with a fully executed designation notice acceptable to Agent), in each case solely until such Person has assigned all of its interests under this Agreement: (a) operating, collections, payroll, trust, or other depository or disbursement accounts; (b) automated clearinghouse transactions; (c) return items, lockboxes, controlled disbursement services, overdraft, and stop payment services; and (d) electronic funds transfer and interstate depository network services.

"CERCLA" means the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. §9601 et seq.

"CERCLIS" means the Comprehensive Environmental Response Compensation and Liability Information System established pursuant to CERCLA.

"Change in Control" means the occurrence after the Closing Date of any of the following: (a) Construction Partners ceases to own and control, beneficially and of record, directly or indirectly, all of the Equity Interests in each Borrower (other than Construction Partners); (b) for Construction Partners, the holders of the Equity Interests of Construction Partners as of the day hereof cease to own and control, beneficially and of record, at least 50% of the Equity Interests in Construction Partners other than in connection with an Approved IPO; or (c) prior to an Approved IPO, a majority of the board of directors of Construction Partners consists of individuals who were not directors of Construction Partners as of the Closing Date. After an Approved IPO and the final determination and election of any new board members to the board of directors of Construction Partners as a required consequence of the Approved IPO, with respect to Construction Partners, Change in Control shall mean a majority of the board of directors of Construction Partners consists of individuals who were not directors of Construction Partners as of the later of the corresponding date two years prior or the date of the Approved IPO.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law," regardless of the date enacted, adopted or issued.

"Class" when used in reference to (a) any Advance or Borrowing, refers to whether such Advance, or the Advances comprising such Borrowing, are Revolver Advances or Term Loan Advances, (b) any Commitment, refers to whether such Commitment is a Term Loan Commitment or a Revolver Commitment, and (c) any Lender, refers to whether such Lender has an Advance or Commitment of a particular Class.

"Closing and Incumbency Certificate" has the meaning set forth in Section 3.01(d).

"Closing Date" means June 30, 2017.

"Code" means the Internal Revenue Code of 1986.

"Collateral" means all Property described in any Collateral Document as security for any Obligations and all of the Property that now or hereafter secures (or is intended to secure) any Obligations, including all of each Borrower's Accounts, Inventory, Chattel Paper, Commercial Tort Claims, Deposit Accounts, Documents, Equipment, General Intangibles (including Payment Intangibles), Goods, Instruments (including Promissory Notes), Investment Property, Letter-of-Credit Rights and Supporting Obligations.

"Collateral Documents" means, collectively, the Security Agreement, Control Agreements, the Pledge Agreements, the Negative Pledge Agreements and all other agreements, instruments and other documents, whether now existing or hereafter in effect, pursuant to which a Borrower shall grant or convey (or shall have granted or conveyed) to Agent for the benefit of Secured Parties a Lien upon Property as security for (including to Cash Collateralize) all or any portion of the Obligations.

"Collateral Locations" means the locations set forth and described on Schedule 1.01 - Collateral Locations.

"Commitments" means, collectively, the Revolver Commitments and the Term Loan Commitments. "Commitment" means any one of such Commitments of a Lender, as the context may require.

"Communications" has the meaning set forth in Section 11.01(d).

"Compliance Certificate" has the meaning set forth in Section 5.01(d).

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Consolidated EBITDA" means and includes, for Borrowers and their Consolidated Subsidiaries for any period, an amount equal to the sum of (a) Consolidated Net Income for such period plus (b): (i) Consolidated Interest Expense for such period; (ii) Consolidated Lease Expense for such period; and (iii) Depreciation and Amortization for such period minus (c): (i) Taxes paid in cash for such period; and (ii) dividends and distributions paid out in such period, all determined on a consolidated basis in accordance with GAAP in each case for such period.

"Consolidated Fixed Charges" means, for any period, the sum of (a) Consolidated Interest Expense for such period (including all interest, whether accrued or paid, for such period on the Term Loan Advances and Revolver Advances owing or paid by Borrowers), (b) Consolidated Lease Expense for such period, and (c) all scheduled payments of principal in respect of the Term Loan Advances of Borrowers pursuant to Section 2.06 for such period (provided that for purposes of calculating the Fixed Charge Coverage Ratio on a pro forma basis if required by Section 6.04, the scheduled principal payment due on the Termination Date shall be deemed to be in an amount equal to$2,500,000 with respect to the Term Loan).

"Consolidated Interest Expense" means, for any period, interest, whether expensed or capitalized, in respect of Debt of any Borrowers or any of their Consolidated Subsidiaries outstanding during such period on a consolidated basis.

"Consolidated Lease Expense" means, for any period, all lease expenses of Borrowers and their Consolidated Subsidiaries during such period on a consolidated basis.

"Consolidated Leverage Ratio" means, on any date, the ratio of (a) total funded Debt of Borrowers and their Consolidated Subsidiaries on such date to (b) Consolidated EBITDA for the period of four consecutive Fiscal Quarters ended on such date (or, if such date is not the last day of a Fiscal Quarter, ended on the last day of the Fiscal Quarter most recently ended).

"Consolidated Net Income" means, for any period, the net income of Borrowers and their Consolidated Subsidiaries prior to the provision for Taxes as set forth or reflected on the most recent consolidated income statement of Borrowers and its Consolidated Subsidiaries prepared in accordance with GAAP.

"Consolidated Subsidiary" means, on any date, any Subsidiary or other entity the accounts of which, in accordance with GAAP, would be consolidated with those of a Borrower in its consolidated financial statements as of such date.

"Control Agreement" means any deposit account control agreement, securities account control agreement or like agreement, in form and substance satisfactory to Agent, pursuant to which Agent obtains "control" of Collateral held in deposit and securities accounts for UCC purposes.

"Controlled Account" means a Deposit Account or securities account of a Loan Party that is subject to a Control Agreement.

"Controlled Group" means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with any Loan Party, are treated as a single employer under Section 414 of the Code.

"Costs of Acquisition" means, with respect to any Acquisition, the aggregate consideration paid or to be paid in connection with such Acquisition, including all Debt of the Person being acquired that is not discharged by the seller at the time of such Acquisition, all Debt as to which any Loan Party or any Subsidiary of a Loan Party takes subject and all other liabilities (including contingent earn-out payments) incurred in connection with such Acquisition.

"Credit Exposure" means, as to any Lender at any time, the outstanding principal amount of the Revolver Advances by such Lender plus the outstanding principal amount of the Term Loan Advances of such Lender.

"Credit Facilities" means the credit facilities established under Article II pursuant to which Advances are made by Lenders and Letters of Credit are issued by Issuing Bank.

"Credit Parties" means Agent, Lenders, and Issuing Bank.

"Credit Party Expenses" means (a) with respect to Agent, all reasonable out-of-pocket expenses incurred by Agent to Agent Professionals or otherwise in connection with (i) the negotiation, documentation and closing of the transactions contemplated by this Agreement and the other Loan Documents, (ii) the conduct of any appraisals, audits, field examinations or other inspections of any of the Collateral or verification of any of the Accounts of any Borrower, (iii) the syndication of the Credit Facilities provided for herein, (iv) the administration and management of the Credit Facilities established under this Agreement, the funding of the Advances and other activities of Agent incident to its capacity as such pursuant to any of the Loan Documents, and (v) the negotiation, drafting and execution of any amendments to any of the Loan Documents; (b) with respect to Issuing Bank, all reasonable out-of-pocket expenses incurred in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder; and (c) with respect to Agent and each Lender during any period that a Default or an Event of Default exists, all Extraordinary Expenses.

"Debt" means, with respect to any Person at any date, without duplication, (a) all obligations of such Person for borrowed money (whether current or long term, or absolute or contingent); (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments; (c) all obligations of such Person to pay the deferred purchase price of acquired or to-be-acquired equity interests, property or services, except trade accounts payable arising in the ordinary course of business and, in each case, not past due for more than 60 days after the date on which such trade account payable was created unless such trade account payable is subject to a good faith dispute; (d) all obligations of such Person as lessee under Capital Leases; (e) all obligations of such Person to reimburse any bank or other Person in respect of amounts payable under a banker's acceptance, bank guarantees, surety bonds and similar instruments; (f) all Redeemable Preferred Securities of such Person; (g) all obligations (absolute or contingent) of such Person to reimburse any bank or other Person in respect of amounts which are available to be drawn or have been drawn under a letter of credit (including standby or commercial) or similar instrument; (h) all Debt of others secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) a Lien on, or payable out of the proceeds of production from, any asset of such Person, whether or not such Debt is assumed by such Person; (i) all Debt of others Guaranteed by such Person; (j) Hedging Obligations of such Person (valued at the termination value thereof computed in accordance with a method approved by the International Swap Dealers Association and agreed to by such Person in the applicable hedging agreement, if any); (k) all obligations of such Person under any synthetic lease, tax retention operating lease, sale/leaseback transaction, asset securitization, off-balance sheet loan or other off-balance sheet financing product (other than operating leases of equipment) (l) all obligations of such Person to purchase securities or other Property arising out of or in connection with the sale of the same or substantially similar securities or Property; and (l) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to Property acquired by such Person. Debt of any Person shall include the Debt of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is

liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Debt provide that such Person is not liable therefor. For purposes hereof, the amount of any direct obligation arising under letters of credit (including standby and commercial), bankers' acceptances, bank guarantees, surety bonds and similar instruments shall be the maximum amount available to be drawn thereunder.

"Default" means any condition or event which with the giving of notice or lapse of time or both would, unless cured as permitted by this Agreement or waived in writing in accordance with this Agreement, become an Event of Default.

"Default Excess" means, with respect to any Defaulting Lender, the excess, if any, of such Defaulting Lender's Pro Rata portion of the aggregate Credit Exposure of all Lenders (calculated as if all Defaulting Lenders had funded all of their respective Defaulted Advances) over the aggregate outstanding principal amount of all Revolver Advances and Term Loan Advances of such Defaulting Lender.

"Default Rate" means, with respect to the Advances, on any day, the sum of 2%plus the then highest interest rate (Including the Applicable Margin) which may be applicable to any Advance (irrespective of whether any such type of Advance is actually outstanding hereunder).

"Defaulted Advances" means, with respect to any Defaulting Lender, the Advances that such Defaulting Lender has failed or refused to fund in accordance with this Agreement.

"Defaulting Lender" means, subject to Section 2.14(f), any Lender that (a) has failed to (i) fund all or any portion of its Advances within 2 Business Days of the date such Advances were required to be funded hereunder unless such Lender notifies Agent and Borrowers in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to any Credit Party any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit) within 2 Business Days of the date when due; (b) has notified any Loan Party or Credit Party in writing that it does not intend to comply with its funding or payment obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund an Advance hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied; (c) has failed, within 3 Business Days after written request by Agent or Borrowers made in the good faith belief that such Lender will not comply with its prospective funding obligations hereunder, to confirm in writing to Agent and Borrowers that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by Agent and Borrowers); or (d) has, or has a Lender Parent that has, (i) become the subject of an Insolvency Proceeding including a proceeding in which the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acts as receiver or conservator; provided, however, that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any Lender Parent thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.14(f)) upon Agent's delivery of written notice of such determination to Borrowers and each Lender.

"Depreciation and Amortization" means, for any period, an amount equal to the sum of all depreciation and amortization expenses of Borrowers and their Consolidated Subsidiaries for such period, as determined on a consolidated basis in accordance with GAAP.

"Dollars" or "$" means dollars in lawful currency of the United States of America.

"Domestic Subsidiary" means any Subsidiary which is organized under the laws of any state or territory of the United States of America.

"ECP" means an "eligible contract participant" as defined in Section 1a(18) of the Commodity Exchange Act or any regulations promulgated thereunder and the applicable rules issued by the Commodity Futures Trading Commission or the Security Exchange Commission.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 11.07(b)(iii), (v) and (vi) (subject to such consents, if any, as may be required under Section 11.07(b)(iii)).

"Enforcement Action" means, during any period that an Event of Default exists, any action that Agent is authorized to take to enforce collection of any of the Obligations or to repossess, foreclose upon, collect or otherwise realize upon any Collateral, in each case whether by judicial action, under power of sale, by self-help repossession, by notification to Account Debtors or by exercise of rights of setoff or recoupment, or otherwise.

"Environmental Authority" means any foreign, federal, state, local or regional government that exercises any form of jurisdiction or authority under any Environmental Requirement.

"Environmental Authorizations" means all licenses, permits, orders, approvals, notices, registrations or other legal prerequisites for conducting the business of a Loan Party or any Subsidiary of a Loan Party required by any Environmental Requirement.

"Environmental Judgments and Orders" means all judgments, decrees or orders arising from or in any way associated with any Environmental Requirements, whether or not entered upon consent or written agreements with an Environmental Authority or other entity arising from or in any way associated with any Environmental Requirement, whether or not incorporated in a judgment, decree or order.

"Environmental Laws" means any and all federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges or releases of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes into the environment, including ambient air, surface water, groundwater or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, petroleum or petroleum products, chemicals of industrial, toxic or hazardous substances or wastes or the clean-up or other remediation thereof.

"Environmental Liabilities" means any liabilities, whether accrued, contingent or otherwise, arising from and in any way associated with any Environmental Requirements.

"Environmental Notices" means notice from any Environmental Authority or by any other Person, of possible or alleged noncompliance with or liability under any Environmental Requirement, including without limitation any complaints, citations, demands or requests from any Environmental Authority or from any other person or entity for correction of any violation of any Environmental Requirement or any investigations concerning any violation of any Environmental Requirement.

"Environmental Proceedings" means any judicial or administrative proceedings arising from or in any way associated with any Environmental Requirement.

"Environmental Releases" means releases as defined in CERCLA or under any applicable federal, state or local environmental law or regulation and shall include, in any event and without limitation, any release of petroleum or petroleum related products.

"Environmental Requirements" means any legal requirement relating to health, safety or the environment and applicable to a Loan Party or any Subsidiary of a Loan Party, including any such requirement under CERCLA or similar state legislation and all federal, state and local laws, ordinances, regulations, orders, writs, decrees and common law.

"Equity Interests" means the interests of (a) a shareholder in a corporation, (b) a partner (whether general or limited) in a partnership (whether general, limited or limited liability), (c) a member in a limited liability company, or (d) any other Person having any other form of equity security or ownership interests.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"Euro-Dollar Advance" means any Advance that bears or is to bear interest at a rate based upon LIBOR.

"Euro-Dollar Business Day" means any New York Business Day on which dealings in Dollar deposits are carried out in the London interbank market.

"Euro-Dollar Reserve Percentage" means, for any day, that percentage (expressed as a decimal) that is in effect on such day, as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement for a member bank of the Federal Reserve System in respect of "Eurocurrency liabilities" (or in respect of any other category of liabilities which includes deposits by reference to which the interest rate on such Euro-Dollar Advance is determined or any category of extensions of credit or other assets which includes loans by a non-United States office of any Lender to United States residents). The Adjusted LIBOR shall be adjusted automatically on and as of the effective date of any change in the Euro-Dollar Reserve Percentage.

"Event of Default" has the meaning set forth in Section 7.01.

"Excluded Swap Obligation" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guarantee of such Guarantor of, or the grant by such Guarantor of a Lien to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) (a) by virtue of such Guarantor's failure for any reason to constitute an ECP at the time the Guarantee of such Guarantor or the grant of such Lien becomes or would become effective with respect to such Swap Obligation or (b) in the case of a Swap Obligation subject to a clearing requirement pursuant to Section 2(h) of the Commodity Exchange Act (or any successor provision thereto), because such Guarantor is a "financial entity," as defined in Section 2(h)(C)(i) of the Commodity Exchange Act (or any successor provision thereto), at the time the Guarantee of such Guarantor becomes or would become effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or Lien is or becomes illegal.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Credit Party or required to be withheld or deducted from a payment to Credit Party, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Credit Party being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes; (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in an Advance or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Advance or Commitment or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 2.13(f), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office; (c) Taxes attributable to such Credit Party's failure to comply with Section 2.13(f); and (d) any U.S. federal withholding Taxes imposed under FATCA.

"Extraordinary Expenses" means all costs, expenses, fees (including all fees, commissions and other amounts incurred by Agent to Agent Professionals) or advances that Agent or any Lender may suffer or incur during any period that a Default or Event of Default exists, or during the pendency of an Insolvency Proceeding of an Loan Party, on account of or in connection with (a) the audit, inspection, repossession, storage, repair, appraisal, insuring, completion of the manufacture of, preparing for sale, advertising for sale, selling, collecting or otherwise preserving or realizing upon any Collateral; (b) any action, suit, litigation, arbitration, contest or other judicial or non-judicial proceeding (whether instituted by or against Agent, any Lender, any Loan Party, any representative of creditors of any Loan Party or any other Person) in any way arising out of or relating to any of the Collateral (or the validity, perfection, priority or avoidability of Agent's Liens with respect to any of the Collateral), any of the Loan Documents or the validity, allowance or amount of any of the Obligations, including any lender liability or other claims asserted against Agent or any Lender; (c) the exercise, protection or enforcement of any rights or remedies of Agent in, or the monitoring of, any Insolvency Proceeding; (d) the settlement or satisfaction of any Liens upon any Collateral (whether or not such Liens are Permitted Liens); (e) the collection or enforcement of any of the Obligations, whether by Enforcement Action or otherwise; (f) the negotiation, documentation, and closing of any amendment, waiver, restructuring or forbearance agreement with respect to the Loan Documents or Obligations; and (g) amounts advanced by Agent pursuant for the account of any Loan Party pursuant to any of the Loan Documents the enforcement of any of the provisions of any of the Loan Documents. Such costs, expenses and advances may include transfer fees, Taxes, storage fees, insurance costs, permit fees, utility reservation and standby fees, environmental assessment fees, wages and salaries paid to employees of any Borrower or independent contractors in liquidating any Collateral, travel expenses, all other fees and expenses payable or reimbursable by Borrowers or any other Loan Party under any of the Loan Documents, and all other fees and expenses associated with the enforcement of rights or remedies under any of the Loan Documents, but excluding compensation paid to employees (including inside legal counsel who are employees) of Agent or any Lender.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with).

"Federal Funds Rate" means, for any day, the rate per annum (rounded upward, if necessary, to the next higher 1/100th of 1%) equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (i) if the day for which such rate is to be determined is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if such rate is not so published for any day, the Federal Funds Rate for such day shall be the average rate charged to Agent on such day on such transactions as determined by Agent. Notwithstanding the foregoing, if the Federal Funds Rate shall be less than zero, such rate shall be deemed to be zero.

"Fiscal Quarter" means any fiscal quarter of Borrowers.

"Fiscal Year" means any fiscal year of Borrowers.

"Fixed Charge Coverage Ratio" means, for any period, the ratio of (a) Consolidated EBITDA minus the unfinanced portion of Capital Expenditures to (b) Consolidated Fixed Charges.

"Foreign Lender" means (a) if a Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if a Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which Borrowers are resident for tax purposes.

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

"Fronting Exposure" means, at any time there is a Defaulting Lender, with respect to Issuing Bank, such Defaulting Lender's Pro Rata share of the outstanding LC Obligations with respect to Letters of Credit issued by such Issuing Bank other than LC Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

"Full Payment" means, with respect to any of the Obligations (including Guaranteed Obligations), the full, final and indefeasible payment in full, in Cash, of such Obligations, including all interest, fees and other charges payable in connection therewith under any of the Loan Documents, whether such interest, fees or other charges accrue or are incurred prior to or during the pendency of an Insolvency Proceeding and whether or not any of the same are allowed or recoverable pursuant to Section 506 of the Bankruptcy Code or otherwise; with respect to the Undrawn Amount of Letters of Credit, Banking Relationship Debt, and any Obligations that are contingent in nature (other than LC Obligations or Banking Relationship Debt that are contingent in nature), such as a right of a Credit Party to indemnification by any Loan Party, the depositing of Cash with Agent to Cash Collateralize such Undrawn Amount and such Banking Relationship Debt and termination of all agreements related to any Bank Products or Cash Management Services, or if any such Obligations are unliquidated in amount and represent a claim which has been overtly asserted (or is reasonably probable of assertion) against a Credit Party and for which an indemnity has been provided by any Loan Party under any of the Loan Documents, in an amount that is equal to such claim or Agent's good faith estimate of such claim. None of the Advances shall be deemed to have been paid in full until all Commitments related to such Advances have expired or been terminated.

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

"GAAP" means generally accepted accounting principles applied on a basis consistent with those which, in accordance with Section 1.02, are to be used in making the calculations for purposes of determining compliance with the terms of this Agreement.

"Governmental Authority" means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Guarantee" by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to secure, purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to provide collateral security, to take-or-pay, or to maintain financial statement conditions or otherwise) or (b) entered into for the purpose of assuring in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); provided that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

"Guaranteed Obligations" has the meaning set forth in Section 10.01.

"Guarantors" means, collectively, all direct and indirect Subsidiaries of a Loan Party that is acquired, formed or otherwise in existence after the Closing Date and required to become a Guarantor pursuant to Section 5.09.

"Guaranty" means the guaranty by each Guarantor as set forth in Article X and any other guaranty of payment or performance of any of the Obligations separately executed by any Loan Party or its Subsidiary.

"Hazardous Materials" includes, (a) solid or hazardous waste, as defined in the Resource Conservation and Recovery Act of 1980, 42 U.S.C. §6901 et seq., or in any similar state or local law or regulation, (b) any "hazardous substance," "pollutant" or "contaminant," as defined in CERCLA, or in any similar state or local law or regulation, (c) gasoline, or any other petroleum product or by-product, including crude oil or any fraction thereof, (d) toxic substances, as defined in the Toxic Substances Control Act of 1976, or in any similar state or local law or regulation and (e) insecticides, fungicides, or rodenticides, as defined in the Federal Insecticide, Fungicide, and Rodenticide Act of 1975, or in any similar state or local law or regulation.

"Hedge Counterparty" means a Person that enters into a Hedging Agreement with a Borrower that is permitted by Section 6.11, but only if such Person is Agent or any other Lender that provides the initial funding of any Commitment on the Closing Date (but not any assignee of any of the foregoing Lenders), or any of their respective Affiliates (provided that any such Affiliate of a Lender shall have provided Agent with a fully executed designation notice acceptable to Agent), in each case solely until such Person has assigned all of its interests under this Agreement.

"Hedge Transaction" means, with respect to any Person, any transaction (including an agreement with respect thereto) row existing or hereafter entered into by such Person that is a rate swap, basis swap, forward rate transaction, commodity swap, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collateral transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures.

"Hedging Agreement" means each agreement between Borrowers and a Hedge Counterparty that governs one or more Hedge Transactions entered into pursuant to Section 6.11, which agreement shall consist of a "Master Agreement" in a form published by the International Swaps and Derivatives Association, Inc., together with a "Schedule" thereto in the form Agent shall approve in writing, and each "Confirmation" thereunder confirming the specific terms of each such Hedge Transaction.

"Hedging Obligations" means, with respect to any Person, any and all obligations of such Person (including Swap Obligations), whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired under (a) any and all Hedge Transactions, (b) any and all cancellations, buy backs, reversals, terminations or assignments of any Hedge Transactions, and (c) any and all renewals, extensions and modifications of any Hedge Transactions and any and all substitutions for any Hedge Transactions.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any Obligations of any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitee" has the meaning set forth in Section 11.03(b).

"Information" has the meaning set forth in Section 11.08(b).

"Initial Public Offering" means any underwritten public offering pursuant to a registration statement filed in accordance with the Securities Act.

"Insolvency Proceeding" means any action, case or proceeding commenced by or against a Person under any state, federal or foreign law, or any agreement of such Person, for (a) the entry of an order for relief under any chapter of the Bankruptcy Code or other insolvency or debt adjustment law (whether state, federal or foreign), (b) the appointment of a receiver (or administrative receiver), trustee, liquidator, administrator, conservator or other custodian for such Person or any part of its Property, (c) an assignment or trust mortgage for the benefit of creditors of such Person, or (d) the liquidation, dissolution or winding up of the affairs of such Person.

"Intellectual Property" means all intellectual and similar Property of a Person of every kind and description, including inventions, designs, patents, patent applications, copyrights, trademarks, service marks, trade names, mask works, trade secrets, confidential or proprietary information, know-how, software and databases and all embodiments or fixations thereof and related documentation, registrations and franchises, all books and records describing or used in connection with the foregoing and all licenses or other rights to use any of the foregoing.

"Intellectual Property Claim" means the assertion by any Person of a claim (whether asserted in writing, by action, suit or proceeding or otherwise) that any Borrower's ownership, use, marketing, sale or distribution of any Inventory, Equipment, Intellectual Property or other Property is violative of any ownership or right to use any Intellectual Property of such Person.

"Interest Election Request" means a request by the Borrower Agent to continue a Borrowing in accordance with Section 2.07.

"Interest Payment Date" means the last Business Day of each month.

"Interest Period" means with respect to Euro-Dollar Borrowing, either a calendar month, two calendar months, three calendar months, six calendar months, nine calendar months (if available to all Lenders), or twelve calendar months (if available to all Lenders) (commencing on the day after the end of the previous Interest Period and ending on the last Business Day of the last calendar month of the Interest Period regardless of whether a Euro-Dollar Borrowing is outstanding on either date); provided that (a) the initial Interest Period applicable to Euro-Dollar Borrowings shall mean the period commencing on the Closing Date and ending on the last Business Day of the succeeding calendar month, and (b) the last Interest Period applicable to Euro-Dollar Borrowings under this Agreement shall end on the Termination Date. The Interest Period is for reference purposes only, and the interest rate applicable to any Euro-Dollar Borrowing may continue for a period that is longer or shorter than the Interest Period.

"Inventory Documents" means documents, documents of title, dock warrants, dock receipts, warehouse receipts, bills of lading or orders for the delivery of any Inventory.

"Investment" means any investment in any Person, whether by means of (i) purchase or acquisition of all or substantially all of the assets of such Person (or of a division or line of business of such Person), (ii) purchase or acquisition of obligations or securities of such Person, capital contribution to such Person, (iv) loan or advance to such Person, (v) making of a time deposit with such Person, (vi) Guarantee or assumption of any obligation of such Person or (vii) by any other means.

"Issuing Bank" means Agent, in its capacity as issuer of Letters of Credit hereunder.

"Joinder Agreement" means a Joinder Agreement substantially in the form of Exhibit H.

"LC Application Agreement" means, with respect to a Letter of Credit, such form of application therefor (whether in a single or several documents) as Issuing Bank may employ in the ordinary course of business for its own account, whether or not providing for collateral security, with such modifications thereto as may be agreed upon by Issuing Bank and Borrower Agent and are not materially adverse to the interests of Lenders; provided, however, that in the event of any conflict between the terms of any LC Application Agreement and this Agreement, the terms of this Agreement shall control.

"LC Facility Fee" has the meaning set forth in Section 2.08(c).

"LC Fee" has the meaning set forth in Section 2.08(b).

"LC Obligations" means, at any time, the sum of (a) the Reimbursement Obligations at such time, (b) the aggregate maximum amount available for drawing under the Letters of Credit at such time, and (c) the aggregate maximum amount available for drawing under Letters of Credit the issuance of which has been authorized by Issuing Bank but which have not yet been issued.

"Lender" means each lender listed on the signature pages hereof as having a Commitment, and such other Persons who may from time to time acquire or provide a Commitment, provided, however, that unless the context otherwise requires, the term "Lender" shall include Issuing Bank.

"Lender Parent" means, with respect to a Lender, the bank holding company (as defined in Federal Reserve Board Regulation Y), if any, of such Lender, and any Person owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

"Lending Office" means, as to each Lender, its office located at its address set forth on the signature pages hereof (or identified on the signature pages hereof as its Lending Office) or such other office as such Lender may hereafter designate as its Lending Office by notice to Borrower Agent and Agent.

"Letter of Credit" means a standby or commercial letter of credit issued by Issuing Bank for the account of Borrowers pursuant toSection 2.02.

"Lien" means, with respect to any asset, any mortgage, deed to secure debt, deed of trust, lien, pledge, charge, security interest, security title, preferential arrangement which has the practical effect of constituting a security interest or encumbrance, servitude or encumbrance of any kind in respect of such asset to secure or assure payment of a Debt or a Guarantee, whether by consensual agreement or by operation of statute or other law, or by any agreement, contingent or otherwise, to provide any of the foregoing. For the purposes of this Agreement, a Loan Party shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

"Lien Waiver" means an agreement duly executed in favor of Agent, in form and content acceptable to Agent, by which (a) an owner or mortgagee of a Loan Party Facility agrees to waive or subordinate in favor of Agent's Lien any Lien such Person may have with respect to any Property of a Borrower in, on or about such Loan Party Facility, permit Agent to enter upon such Loan Party Facility and remove any of such Property therefrom or use such Premises to store or dispose of such Property, or (b) a warehouseman or processor agrees to waive or subordinate in favor of Agent's Lien any Lien such Person may have with respect to any Property in such Person's possession or control and permit Agent to enter upon such premises and remove such Property or to use such premises to store or dispose of such Property.

"Loan Documents" means, collectively, this Agreement, the Notes, any LC Application Agreements, the Collateral Documents, each Guaranty, any Hedging Agreements, any Bank Product Agreements, any Lien Waiver, each document evidencing or securing the Advances or the Letters of Credit, and each other document or instrument delivered from time to time in connection with this Agreement, the Notes, any LC Application Agreements, the Collateral Documents, any Hedging Agreements, the Advances or the Letters of Credit.

"Loan Parties" means, collectively, Borrowers and each Guarantor.

"Loan Party Facility" means, with respect to each Loan Party, a location at which such Loan Party occupies space, conducts business or maintains any Property, including each Collateral Location of such Loan Party, whether now or in the future used by such Loan Party.

"LIBOR" means for each Interest Period, a rate per annum equal to the London Interbank Offered Rate, as determined by ICE Benchmark Administration Limited (ICE) (or any successor or substitute therefor) for Dollar deposits for such Interest Period as obtained by Lender from Reuter's, Bloomberg or another commercially available source as may be designated by Agent from time to time, 2 Euro-Dollar Business Days before the first day of such Interest Period (or if no such rate is stated on that date, the rate stated on the day most immediately preceding the date of determination on which a rate was stated), as adjusted from time to time in Agent's sole discretion for then-applicable reserve requirements, deposit insurance assessment rates and other regulatory costs. Notwithstanding the foregoing, if LIBOR shall be less than zero, such rate shall deemed to be zero. LIBOR shall be adjusted automatically on and as of the end of each Interest Period.

"Management Services Agreement" means the "Management Services Agreement" as defined in Section 6.04.

"Margin Stock" means "margin stock" as defined in Regulation U of the Board of Governors of the Federal Reserve System, together with all official rulings and interpretations issued thereunder.

"Material Adverse Effect" means, with respect to any event, act, condition or occurrence of whatever nature (including any adverse determination in any litigation, arbitration, or governmental investigation or proceeding), whether singly or in conjunction with any other event or events, act or acts, condition or conditions, occurrence or occurrences, whether or not related, a material adverse change in, or a material adverse effect upon, any of (a) the financial condition, operations, business or properties of Loan Parties or any of their respective Subsidiaries, (b) the rights and remedies of any Credit Party under the Loan Documents, or the ability of any Loan Party to perform its obligations under the Loan Documents to which it is a party, or (c) the legality, validity or enforceability of any Loan Document or (d) the Collateral, or Agent's Liens for the benefit of Secured Parties on the Collateral or the priority of such Liens.

"Material Contract" has the meaning set forth in Section 4.26.

"Maximum Revolver Limit" means, at any time, aggregate Revolver Commitments of all Lenders at such time.

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Multiemployer Plan" has the meaning set forth in Section 4001(a)(3) of ERISA.

"Negative Pledge Agreement" means a (i) a negative pledge agreement, in form and content satisfactory to Agent, whereby the holders of more than 50% Equity Interests of Construction Partners agree not to grant a Lien or transfer or convey such Equity Interest or (ii) any agreement not to encumber Property or similar agreement, in form and content satisfactory to Agent, pursuant to which a Loan Party agrees not to grant a Lien to any Person.

"Net Assets" means, at any time, the net assets of Borrowers and their Consolidated Subsidiaries, as set forth or reflected on the most recent consolidated balance sheet of Borrowers and their Consolidated Subsidiaries prepared in accordance with GAAP.

"Net Cash Proceeds" means, with respect to any event, (a) the Cash proceeds received in respect of such event, including (i) cash received in respect of anynon-Cash proceeds (including any Cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment receivable or otherwise, but excluding any interest payments), but only as and when received, (ii) in the case of a casualty, insurance proceeds, and (iii) in the case of a condemnation or similar event, condemnation awards and similar payment, minus (b) the sum of (i) all reasonable fees and out-of-pocket expenses paid to third parties (other than Affiliate) in connection with such event, (ii) in the case of a sale, transfer or other disposition of any Property (including pursuant to a Sale/Leaseback Transaction or a casualty or a condemnation or similar proceeding), the amount of all payments required to be made as a result of such event to repay Debt (other than Advances) secured by such Property or otherwise subject to mandatory prepayment as a result of such an event, and (iii) the amount of all Taxes

paid (or reasonably estimated to be due and payable at any time) and the amount of any reserves established to fund contingent liabilities reasonably estimated to be payable, in each cash during the year that such event occurred or the next succeeding year and that are directly attributable to such event and as determined reasonably and in good faith by a Responsible Officer).

"New York Business Day" means any day except a Saturday, Sunday or other day on which commercial banks in the State of New York are authorized or required by law to close.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Notes" means, collectively, the Revolver Notes and the Term Loan Notes. The term "Note" means any one of such Notes.

"Notice of Borrowing" has the meaning set forth in Section 2.03.

"Obligations" means all indebtedness, liabilities and obligations of every nature of that are owed by one or more Loan Farties from time to time to any Credit Party under any of the Loan Documents, whether for principal, interest (including interest which, but for the filing of any Insolvency Proceeding with respect to any Loan Party, would have accrued on any such indebtedness, liability or obligation, whether or not a claim is allowed against such Loan Party for such interest in such Insolvency Proceeding), fees, expenses, indemnification or otherwise and whether primary or secondary, direct or indirect, fixed or contingent, joint or several, secured or unsecured, or otherwise, including the principal of and interest on the Advances, Banking Relationship Debt, LC Obligations, LC Fees, Credit Party Expenses, and all other fees, charges and indemnities at any time or times owing by any Loan Party to any Credit Party. Notwithstanding anything to the contrary contained herein, the definition of "Obligations" shall not create any Guarantee by any Guarantor of (or grant of a Lien by any Guarantor to support, as applicable) any Excluded Swap Obligation of such Guarantor for purposes of determining any obligations of any Guarantor.

"OFAC" means The Office of Foreign Assets Control of the U.S. Department of the Treasury.

"Officer's Certificate" has the meaning set forth in Section 3.01(e).

"Operating Documents" means, with respect to any corporation, limited liability company, partnership, limited partnership, limited liability partnership or other legally authorized incorporated or unincorporated entity, the bylaws, operating agreement, partnership agreement, limited partnership agreement, shareholder agreement or other applicable documents relating to the operation, governance or management of such entity.

"Ordinary Course Intercompany Debt" has the meaning set forth in Section 6.06.

"Ordinary Course Intercompany Loans" has the meaning set forth in Section 6.03.

"Organizational Action" means with respect to any corporation, limited liability company, partnership, limited partnership, limited liability partnership or other legally authorized incorporated or unincorporated entity, any corporate, organizational or partnership action (including any required shareholder, member or partner action), or other similar official action, as applicable, taken by such entity.

"Organizational Documents" means with respect to any corporation, limited liability company, partnership, limited partnership, limited liability partnership or other legally authorized incorporated or unincorporated entity, the articles of incorporation, certificate of incorporation, articles of organization, certificate of limited partnership or other applicable organizational or charter documents relating to the creation of such entity.

"Other Connection Taxes" means, with respect to any Credit Party, Taxes imposed as a result of a present or former connection between such Credit Party and the jurisdiction imposing such Tax (other than connections arising from such Credit Party having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Advance or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

"Overadvance" means, as the context requires, either (a) a Revolver Advance made on the account of a Borrower at the time when the aggregate of the Revolving Credit Exposures of all Lenders on the account of such Borrower exceeds, or would exceed with the funding of such Revolver Advance, such Borrower's Revolver Sublimit, or (b) a condition on any date whereby the aggregate of the Revolving Credit Exposures of all Lenders on such date exceeds the Availability on such date.

"Parent Company" means Construction Partners.

"Parent Debt" has the meaning set forth in Section 3.01(p).

"Participant" has the meaning set forth in Section 11.07(c).

"Participant Register" has the meaning set forth in Section 11.07(c).

"PATRIOT Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001.

"PBGC" means the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

"Permitted Lien" means a Lien described in Section 6.07.

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

"Plan" means, at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and is either (a) maintained by a member of the Controlled Group for employees of any member of the Controlled Group or (b) maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group is then making or accruing an obligation to make contributions or has within the preceding 5 plan years made contributions.

"Platform" has the meaning set forth in Section 11.01(d).

"Pledge Agreements" means the Equity Pledge Agreements in form and substance satisfactory to Agent, pursuant to which each Borrower and, if applicable, each Guarantor pledges to Agent for the benefit of Secured Parties and as security for the Obligations, among other things, (a) all of the Equity Interests in each Borrower (except for Construction Partners) and (b) all of the Equity Interests of each Subsidiary of such Borrower or Guarantor and in each future Subsidiary of such Borrower or Guarantor except Foreign Subsidiaries; and (b) 65% of the voting and (100% of the non-voting) Equity Interests of each current or future Foreign Subsidiary.

"Prime Rate" means that interest rate so denominated and set by Agent from time to time as an interest rate basis for borrowings. The Prime Rate is but one of several interest rate bases used by Agent. Agent lends at interest rates above and below the Prime Rate. The Prime Rate is not necessarily the lowest or best rate charged by Agent to its customers or other banks.

"Pro Rata" means, with respect to any Lender on any date, a percentage (expressed as a decimal, rounded to the ninth decimal place) derived by dividing the amount of the total Commitments of such Lender on such date by the aggregate amount of the Commitments of all Lenders on such date (regardless of whether or not any of such Commitments have been terminated on or before such date).

"Property" means, with respect to any Loan Party or Subsidiary of a Loan Party, all real or personal property in which such Loan Party or Subsidiary of a Loan Party has an ownership or other interest, wherever such property may be located.

"Protective Advances" has the meaning set forth in Section 2.01(d).

"Qualified ECF Guarantor" means, in respect of any Swap Obligation, each Loan Party that has total assets exceeding $10,000,000 at the time a relevant loan guaranty pursuant to Article X of this Agreement or any grant of the relevant security interest becomes or would become effective with respect to such Swap Obligation or such other Person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulation promulgated thereunder and can cause another Person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(b)(ii) of the Commodity Exchange Act.

"Quarterly Payment Date" means the last Business Day of each March, June, September and December.

"Redeemable Preferred Securities" of any Person means any preferred stock or similar Equity Interests (including limited liability company membership interests and limited partnership interests) issued by such Person which is at any time prior to the Termination Date either (i) mandatorily redeemable (by sinking fund or similar payments or otherwise) or (ii) redeemable at the option of the holder thereof.

"Reinvestment Notice" means a written notice executed by a Responsible Officer of the Borrower Agent stating that no Default or Event of Default has occurred and is continuing and that the applicable Borrower intends to use all or a specified portion of the Net Cash Proceeds of any settlement of or payment to such Borrower with respect to any property or casualty insurance claim to acquire or repair similar assets damaged or affected by such insurance claim.

"Register" has the meaning set forth in Section 11.07(b).

"Reimbursement Obligations" means the reimbursement or repayment obligations of Borrowers to Issuing Bank pursuant to Section 2.02(d) with respect to Letters of Credit.

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

"Replacement Lender" has the meaning set forth in Section 2.15.

"Required Lenders" means, on any date of determination, (a) if there are two or fewer Lenders, all such Lenders, (b) if there are more than two Lenders, those Lenders who collectively hold more than 50% of the Advances, the LC Obligations and the Total Unused Revolver Commitments (but at least two Lenders in any case), or (c) if the Commitments have been terminated, those Lenders who collectively hold more than 50% of the aggregate outstanding principal amount of the Advances and the LC Obligations; provided, however, that the Revolver Commitments of any Defaulting Lender and any outstanding Advances and LC Obligations of any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

"Resignation Effective Date" has the meaning set forth in Section 8.06.

"Responsible Officer" means, as to any Loan Party, the president, chief executive officer, chief financial officer, senior vice president, vice president, senior managing director or treasurer of such Loan Party.

"Restricted Payment" means, with respect to any Loan Party or Subsidiary of a Loan Party, (a) any dividend or other distribution on any Equity Interests (except dividends payable solely in shares of its Equity Interests); (b) any payment of management, consulting, advisory or similar fees to any Affiliate of such Loan Party or Subsidiary, any officer or director of any such Affiliate, or the holder of any Equity Interests of any such Affiliate; (c) any payment on any Parent Debt; (d) any payment on account of the purchase, redemption, retirement or acquisition of (i) any shares of such Loan Party's or Subsidiary's Equity Interests (except shares acquired upon the conversion thereof into other shares of its Equity Interests) or (ii) any option, warrant or other right to acquire shares of such Loan Party's or Subsidiary's Equity Interests; or (e) any prepayment on any Debt other than the Obligations; provided, however, that any payment made on account of the Roberts Stock Purchase shall not be deemed to be a Restricted Payment.

"Revolver Advance" means an Advance made to Borrowers under this Agreement pursuant to Section 2.01(a), (d) and (e).

"Revolver Commitment" means, with respect to each Lender, (i) the amount set forth opposite the name of such Lender on the signature pages hereof, or (ii) as to any Lender which enters into an Assignment and Assumption (whether as transferor Lender or as assignee thereunder), the amount of such Lender's Revolver Commitment after giving effect to such Assignment and Assumption, in each case as such amount may be reduced or increased from time to time pursuant to Section 2.10. The initial aggregate amount of Lenders' Revolver Commitments on the date hereof is $30,000,000.

"Revolver Note" means a promissory note executed and delivered by Borrowers to a Lender substantially in the form of Exhibit B-1 hereto, to evidence the joint and several obligation of Borrowers to repay to such Lender its Revolver Advances.

"Revolver Sublimit" means, with respect to each Borrower set forth below, the following amounts:

Construction Partners:	$ 18,000,000.00
Wiregrass Construction:	$ 6,000,000.00
FSC:	$ 7,000,000.00
Fred Smith Construction:	$ 0.00
Roberts Contracting:	$ 3,000,000.00
Everett Dykes:	$ 3,000,000.00

"Revolving Credit Exposure" means, as to any Lender at any time, the aggregate principal amount of such Lender's Revolver Advances and participation in LC Obligations at such time.

"Roberts Stock Purchase" means the stock repurchase transaction contemplated in that certain Master Purchase Agreement between SunTx CPI Growth Company, Inc. ("SunTx"), as assignee of NNFIV Holdings, LLC pursuant to that certain Assignment and Assumption Agreement dated April 29, 2016, and Charles W. Roberts, III, dated March 17, 2016, contemplating the repurchase of 107,506 shares of SunTx common stock from Charles W. Roberts, III by SunTx, any and all corresponding obligations of any Loan Party to provide funding to SunTx to effectuate all or a portion of the purchase, to receive any of said common stock, and/or any rights of any employee of a Loan Party to purchase any such common stock from SunTx or any Loan Party.

"S&P" means Standard & Poor's Rating Services, a Standard & Poor's Financial, LLC business, and its successors.

"Sale/Leaseback Transaction" means any arrangement with any Person providing, directly or indirectly, for the leasing by a Loan Party or any of its Subsidiaries of real or Personal Property which has been or is to be sold or transferred by such Loan Party or such Subsidiary to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such Property or rental obligations of any Loan Party or such Subsidiary.

"Sanctioned Entity" means (a) a country or a government of a country, (b) an agency of the government of a country, (c) an organization directly or indirectly controlled by a country or its government, (d) a Person resident in or determined to be resident in a country, that is subject to a country sanctions program administered and enforced by OFAC described or referenced at http://www.ustreas.gov/offices/enforcement/ofac/ or as otherwise published from time to time.

"Secured Parties" means (a) Agent; (b) each Lender (including Issuing Bank); (c) each provider of any Bank Product, including a Hedge Counterparty; and (d) each provider of Cash Management Services.

"Securities Act" means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder which shall be in effect at the time.

"Security Agreement" means the Security Agreement, in form and substance satisfactory to Agent, executed by Loan Parties in favor of Agent for the benefit of Secured Parties.

"Solvent" means, as to any Person, such Person (a) owns Property whose fair salable value is greater than the amount required to pay all of such Person's debts (including contingent, subordinated, unmatured and unliquidated liabilities), (b) owns Property whose present fair salable value (as defined below) is greater than the probable total liabilities (including contingent, subordinated, unmatured and

unliquidated liabilities), of such Person as they become absolute and matured, (c) is able to pay all of its debts as such debts mature, (d) has capital that is not unreasonably small for its business and is sufficient to carry on its business and transactions and all business and transactions in which it is about to engage, (e) is not "insolvent" within the meaning of Section 101(32) of the Bankruptcy Code, and (f) has not incurred (by way of assumption or otherwise) any obligations or liabilities (contingent or otherwise) under any of the Loan Documents, or made any conveyance pursuant to or in connection therewith, with actual intent to hinder, delay or defraud any of its present or future creditors. As used herein, the term "fair salable value" of a Person's assets means the amount that may be realized within a reasonable time, either through collection or sale of such assets at the regular market value, based upon the amount that could be obtained for such assets within such period by a capable and diligent seller from an interested buyer who is willing (but is under no compulsion) to purchase under ordinary selling conditions.

"Subordinated Debt" means, with respect to any Person, Debt of such Person the payment of which is subordinated to the payment of the Obligations in a manner satisfactory to Agent.

"Subordination Provisions" has the meaning set forth in Section 7.01(x).

"Subsidiary" means, with respect to any Person, a corporation, limited liability company, partnership or other entity of which Equity Interests having ordinary voting power (other than Equity Interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a Subsidiary or Subsidiaries of Borrowers.

"Swap Obligation" means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section la(47) of the Commodity Exchange Act or any rules or regulations promulgated thereunder.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Loan Advance" means an Advance made by a Lender to Borrowers pursuant to Section 2.01(b). Each Term Loan Advance shall be a Euro-Dollar Advance, unless converted to a Base Rate Advance in accordance with this Agreement.

"Term Loan Commitment" means, with respect to each Lender: (i) on or prior to the Closing Date, the amount set forth opposite the name of such Lender on the signature pages hereof; and (ii) at any time after the Closing Date. (A) $0 unless such amount is increased from time to time pursuant to Section 2.10, or (B) the amount of re-advances for which Borrowers may be eligible from time to time under Section 2.01(b). The aggregate amount of the Lender's Term Loan Commitments on the date hereof is $50,000,000.

"Term Loan Maturity Date" means July 1, 2022.

"Term Loan Note" means a promissory note executed and delivered by Borrowers to a Lender substantially in the form of Exhibit B-2 hereto, to evidence the joint and several obligation of Borrowers to repay to such Lender its Term Loan Advance.

"Term Loan Recourse Amount" means, with respect to each Borrower set forth below, the following amounts:

Wiregrass Construction:	$ 18,000,000.00
FSC:	$ 24,000,000.00
Fred Smith Construction:	$ 24,000,000.00
Roberts Contracting:	$ 11,000,000.00
Everett Dykes:	$ 3,600,000.00

"Termination Date" means the earliest to occur of (a) July 1, 2022, (b) the date the Revolver Commitments are terminated pursuant to Section 7.02 following the occurrence of an Event of Default, or (c) the date Borrowers terminate the Revolver Commitments pursuant to Section 2.10(a).

"Total Unused Revolver Commitments" means at any date, the aggregate Unused Revolver Commitments of Lenders.

"Type" when used in reference to any Advance or Borrowing, means the rate of interest on such Advance, or on the Advances comprising such Borrowing, determined by reference to LIBOR or the Base Rate.

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

"Undrawn Amount" means, at any date, the aggregate undrawn amount of all Letters of Credit issued and outstanding on such date.

"Unused Revolver Commitment" means, at any date and with respect to any Lender, an amount equal to such Lender's Revolver Commitment less the sum of such Lender's Revolving Credit Exposure.

"U.S. Borrower" means a Borrower that is a U.S. Person.

"U.S. Person" means a Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"U.S. Tax Compliance Certificate" has the meaning set forth in Section 2.13(f)(ii)(B)(iii).

"Voting Securities" means Equity Interests of any class or classes of a corporation or other entity the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the corporate directors or individuals performing similar functions.

"Wholly Owned Subsidiary" means any Subsidiary all of the Equity Interests of which are at the time directly or indirectly owned by Borrowers.

"Withholding Agent" means any Loan Party and Agent.

SECTION 1.02. Accounting Terms and Determinations. (a) Unless otherwise specified herein, all terms of an accounting character used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with GAAP, applied on a basis consistent (except for changes concurred in by Borrowers' independent public accountants or otherwise required by a change in GAAP) with the most recent audited consolidated financial statements of Borrowers and its Consolidated Subsidiaries delivered to Agent for distribution to Lenders, unless with respect to any such change concurred in by Borrowers' independent public accountants or required or permitted by GAAP, in determining compliance with any of the provisions of this Agreement or any of the other Loan Documents: (i) Borrowers shall have objected to determining such compliance on such basis at the time of delivery of such financial statements, or (ii) the Required Lenders shall so object in writing within 30 days after the delivery of such financial statements, in either of which events such calculations shall be made on a basis consistent with those used in the preparation of the latest financial statements as to which such objection shall not have been made (which, if objection is made in respect of the first financial statements delivered under Section 5.01 hereof, shall mean the financial statements referred to inSection 4.04).

(b) If at any time any change in GAAP after the Closing Date would affect the computation of any financial ratio or requirement set forth in any Loan Document (i) in determining compliance with the previsions of this Agreement or any other Loan Document, such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) Borrowers shall provide to Agent for distribution to Lenders financial statements and other documents required under this Agreement or as reasonably requested by Agent setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(c) Notwithstanding any other provisions contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under Statement of Financial Accounting Standards 159, The Fair Value Option for Financial Assets and Financial Liabilities, or any successor thereto (including pursuant to the Accounting Standards Codification), or under any similar accounting standard, to value any Debt of Borrowers or any Subsidiary at "fair value" or any similar valuation standard, as defined therein.

SECTION 1.03. UCC Terms. As used herein, the following terms are defined in accordance with the UCC: "Account," "Chattel Paper," "Commercial Tort Claim," "Deposit Account," "Document," "Equipment," "General Intangible," "Goods," "Instrument," "Inventory," "Investment Property," "Letter-of-Credit Right," "Payment Intangibles," "Proceeds," "Promissory Note," and "Supporting Obligation."

SECTION 1.04. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation," the word "will" shall be construed to have the same meaning and effect as the word "shall," and the word "discretion" when used with reference to any Credit Party shall mean the sole and absolute discretion of such Credit Party. Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or otherwise modified (subject to any restrictions on such amendments, supplements, restatements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns, (c) the words "herein," "hereof" and 'hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified, supplemented, or amended and restated

from time to time together with all present and future rules, regulations and interpretations thereunder or related thereto, (f) all references to the time of day shall mean the time of day on the day in question in Birmingham, Alabama, (g) the words "asset" and "Property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including Cash, securities, accounts and contract rights, and (h) titles of Articles and Sections in this Agreement are for convenience of reference only, and neither limit nor amplify the provisions of this Agreement. A Default or an Event of Default shall be deemed to exist at all times during the period commencing on the date that such Default or Event of Default occurs to the date on which such Default or Event of Default is waived in writing in accordance with Section 11.05 or, in the case of a Default, is cured within any period of cure expressly provided in this Agreement.

ARTICLE II
CREDIT FACILITIES

SECTION 2.01. Commitments to Make Advances, (a) Revolver Advances. Each Lender severally agrees, on a Pro Rata basis up to its Revolver Commitment and on the terms and conditions set forth herein, to make Revolver Advances to Borrowers from time to time before the Termination Date; provided that, immediately after each such Revolver Advance is made, (a) the Revolving Credit Exposure of such Lender shall not exceed the amount of the Revolver Commitment of such Lender at such time, (b) the aggregate Revolving Credit Exposures of all Lenders shall not exceed the Maximum Revolver Limit at such time, and (c) the aggregate Revolving Credit Exposures of all Lenders with respect to such Borrower or Borrowers on account of which the Revolver Advance is to be made shall not exceed the Borrower's Revolver Sublimit. Each Revolver Borrowing under this Section 2.01(a) shall be in an aggregate principal amount of $500,000 or any larger multiple of $100,000 (except that any such Revolver Borrowing may be in the aggregate amount of the Total Unused Revolver Commitments) and shall be made from the several Lenders on a Pro Rata basis. Within the foregoing limits, Borrowers may borrow under this Section, repay or prepay Revolver Advances and reborrow under this Section 2.01(a) at any time before the Termination Date.

(b) Term Loan Advances. Each Lender severally agrees, on the terms and conditions set forth herein, to fund on the Closing Date a Term Loan Advance to Borrowers in the amount of such Lender's Term Loan Commitment. Any amount borrowed under this Section 2.01(b) and subsequently repaid or prepaid may not be reborrowed; provided, however, in the event Borrowers have made a voluntary prepayment on a Term Loan Advance using proceeds of an Approved IPO, Borrower may reborrow the amount of such voluntary prepayment for purposes of funding an Acquisition permitted under Section 6.02. Each Lender severally agrees to fund Term Loan Advances to Borrowers in the amount of such Lender's Pro Rata share of any amounts voluntary prepaid by Borrowers using proceeds of an Approved IPO in accordance with this Section 2.01(b), provided such Term Loan Advances are used solely for purposes of funding an Acquisition permitted under Section 6.02.

(c) [Intentionally Omitted.]

(d) Protective Advances. Agent shall be authorized, in its discretion (but without obligation to do so), at any time or times that a Default or an Event of Default exists or any of the conditions precedent set forth in Article III have not been satisfied, to fund Revolver Advances to Borrowers, on behalf of Lenders, that are Base Rate Advances in an aggregate amount not to exceed $5,000,000 outstanding at any time if Agent deems the funding of such Advances ("Protective Advances") to be necessary or desirable (i) to preserve or protect any Collateral, (ii) to enhance the likelihood or increase the amount of payment or accelerate the time for collection of any of the Obligations, or (iii) to pay any other amount chargeable to Loan Parties pursuant to any of the Loan Documents, all of which Protective Advances shall be deemed to be Revolver Advances and secured by

the Collateral. Notwithstanding the foregoing, the maximum amount of Protective Advances outstanding at any time, when added to the aggregate of Revolver Advances and LC Obligations, shall not exceed the Maximum Revolver Limit. Nothing herein shall be construed to limit in any way the amount of Extraordinary Expenses that may be incurred or paid by Agent to the extent that Agent reasonably believes that the incurrence or payment of such Extraordinary Expenses is necessary or appropriate to the recovery of any Obligations or the preservation or liquidation of any Collateral. Upon the making of a Protective Advance by Agent (whether before or after the occurrence of a Default or Event of Default), each Lender shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably purchased from Agent, without recourse or warranty, an undivided interest and participation in such Protective Advance on a Pro Rata basis. From and after the date, if any, on which any Lender is obligated to fund its participation in any Protective Advance purchased hereunder, Agent shall promptly distribute to such Lender such Lender's Pro Rata share of all payments of principal and interest in all proceeds of Collateral received by Agent in respect of such Protective Advance. Agent's authority to make Protective Advances may only be revoked by the unanimous consent of all Lenders, and any such revocation must be in writing and shall become effective prospectively only upon Agent's receipt thereof.

(e) Optional Overadvances. Agent shall be authorized, in its discretion (but without obligation to do so), to make Revolver Advances to Borrowers, on behalf of Lenders, that are Base Rate Advances in amounts that exceed Availability on the date of funding and therefore constitute Overadvances; provided, however, (a) Overadvances may be made by Agent even though the condition precedent set forth in Section 3.02(d) is not satisfied; (b) the authority of Agent to make Overadvances is limited to an aggregate amount not to exceed $1,000,000 at any time outstanding and no Overadvance may remain outstanding for more than 30 days; (c) no Overadvance may be made by Agent that will cause any Lender's Revolving Credit Exposure to exceed its Revolver Commitment; and (d) Agent's authority to make Overadvances may only be revoked by the unanimous consent of all Lenders, and any such revocation must be in writing and shall become effective prospectively only upon Agent's receipt thereof. Upon the making of an Overadvance by Agent, each Lender shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably purchased from Agent, without recourse or warranty, an undivided interest and participation in such Overadvance on a Pro Rata basis. Agent may, at any time, require Lenders to fund their participations. From and after the date, if any, on which any Lender is obligated to fund its participation in any Overadvance purchased hereunder, Agent shall promptly distribute to such Lender such Lender's Pro Rata share of all payments of principal and interest and all proceeds of Collateral received by Agent in respect of such Overadvance.

(f) Borrowings. Each Advance shall be made as part of a Borrowing consisting of Advances of the same Type made by Lenders on a Pro Rata basis in accordance with their respective Commitments (except for Protective Advances and Overadvances, which are to be made by Agent as hereinabove provided).

SECTION 2.02. Letters of Credit. (a) General. Subject to the terms and conditions of this Agreement, and in reliance upon the representations and warranties of Loan Parties herein, Borrower Agent may request and Issuing Bank shall issue for the account of Borrowers, one or more Letters of Credit denominated in Dollars, in accordance with this Section 2.02, from time to time during the period commencing on the Closing Date, provided that the termination date of the Letter of Credit is not later than the sooner of 365 days after the date of issuance of the Letter of Credit or 5 Business Days prior to the Term Loan Maturity Date. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any LC Application Agreement or other agreements submitted by Borrowers to, or entered into by Borrowers with, the Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

(b) Conditions. In addition to being subject to the satisfaction of the conditions contained in Article III, the obligation of Issuing Bank to issue any Letter of Credit is subject to the satisfaction in full of the following conditions:

(i) The requested Letter of Credit has an expiration date that is not more than 365 days after the date of issuance and is at least 5 Business Days prior to the Termination Date, unless the Undrawn Amount of such Letter of Credit is Cash Collateralized in a manner reasonably satisfactory to Issuing Bank;

(ii) Borrower Agent has delivered to Issuing Bank, at such times and in such manner as Issuing Bank may prescribe, an LC Application Agreement and such other documents and materials as may be required pursuant to the terms thereof, all satisfactory in form and substance to Issuing Bank, and the terms of the proposed Letter of Credit shall be satisfactory in form and substance to Agent and Issuing Bank;

(iii) as of the date of issuance, no order, judgment or decree of any court, arbitrator or Governmental Authority shall purport by its terms to enjoin or restrain Issuing Bank from issuing the Letter of Credit and no law, rule or regulation applicable to Issuing Bank and no request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over Issuing Bank shall prohibit or request that Issuing Bank refrain from issuing letters of credit generally or the issuance of that Letter of Credit;

(iv) after the issuance of the requested Letter of Credit, the aggregate maximum amount then available for drawing under Letters of Credit shall not exceed any limit imposed by Applicable Law upon Issuing Bank, the aggregate LC Obligations shall not exceed $12,500,000 and the conditions set forth in Section 2.01(a) shall be satisfied; and

(v) the form of the proposed Letter of Credit is satisfactory to Agent and Issuing Bank in their discretion.

(c) Notice of Issuance; Extensions and Amendments. (i) At least 2 Business Days before the effective date for any Letter of Credit, Borrower Agent shall give Issuing Bank a written notice containing the original signature of a Responsible Officer or authorized employee of Borrower Agent. Such notice shall be irrevocable and shall specify the original face amount of the Letter of Credit requested (which original face amount shall not be less than $15,000), the effective date (which day shall be a Business Day) of issuance of such requested Letter of Credit, the date on which such requested Letter of Credit is to expire, the amount of then outstanding LC Obligations, the purpose for which such Letter of Credit is to be issued, whether such Letter of Credit may be drawn in single or partial draws, the Person for whose benefit the requested Letter of Credit is to be issued, and the Borrower on whose account such Letter of Credit is to be issued.

(ii) If the conditions set forth in Section 2.02(b) and Article III are satisfied, Issuing Bank shall issue the requested Letter of Credit. Issuing Bank shall give each Lender written or electronic notice or telephonic notice confirmed promptly thereafter in writing, of the issuance of a Letter of Credit and shall, if requested to do so by any Lender, deliver to each Lender in connection with such notice a copy of the LC Application Agreement and the Letter of Credit issued by Issuing Bank.

(iii) Issuing Bank shall not extend or amend any Letter of Credit if the issuance of a new Letter of Credit having the same terms as such Letter of Credit as so amended or extended would be prohibited by Section 2.02(b). If Borrower Agent so requests in any applicable LC Application Agreement, Issuing Bank may, in its discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that any such Auto-Extension Letter of Credit must permit Issuing Bank to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by Issuing Bank, Borrowers shall not be required to make a specific request to Issuing Bank for any such extension. Once an Auto-Extension Letter of Credit has been issued, Lenders shall be deemed to have authorized (but may not require) Issuing Bank to permit the extension of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; provided, however, that Issuing Bank shall not permit any such extension if (A) Issuing Bank has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of Section 2.02(b) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is 7 Business Days before the Non-Extension Notice Date (1) from Agent that the Required Lenders have elected not to permit such extension or (2) from Agent, any Lender or the applicable Borrowers that one or more of the applicable conditions specified in Section 3.02 is not then satisfied, and in each such case directing Issuing Bank not to permit such extension.

(d) Reimbursement Obligations. Notwithstanding any provisions to the contrary in any LC Application Agreement, (i) Borrowers shall reimburse Issuing Bank for drawings under a Letter of Credit issued by it no later than the earlier of (A) the time specified in such LC Application Agreement, or (B) one Business Day after the payment by Issuing Bank; (ii) any Reimbursement Obligation with respect to any Letter of Credit shall bear interest from the date of the relevant drawing under the pertinent Letter of Credit until the date of payment in full thereof at a rate per annum equal to (A) prior to the date that is one Business Day after the date of the related payment by Issuing Bank, the Base Rate and (B) thereafter, the Default Rate; and (iii) in order to implement the foregoing, upon the occurrence of a draw under any Letter of Credit, unless Issuing Bank is timely reimbursed in accordance with this Section 2.02(d), Borrowers irrevocably authorize Issuing Bank and Agent to treat such nonpayment as a Notice of Borrowing in the amount of such Reimbursement Obligation and Lenders to make Advances to Borrowers in such amount regardless of whether the conditions precedent to the making of Advances hereunder have been met. Borrowers further authorize Agent to credit the proceeds of such Advance so as to immediately eliminate the liability of Borrowers for Reimbursement Obligations under such Letter of Credit.

(e) Reimbursement Obligations Absolute. Borrowers' joint and several obligation pursuant to Section 2.02(d) to pay to Issuing Bank the amount of all Reimbursement Obligations, interest and other amounts payable to Issuing Bank under or in connection with any Letter of Credit issued for Borrowers' account immediately when due, shall be absolute, unconditional and irrevocable, irrespective of: (A) any lack of validity or enforceability of this Agreement or any of the other Loan Documents; (B) the existence of any claim, setoff, defense or other right which Borrowers may have at any time against a beneficiary named in a Letter of Credit or any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), any Credit Party or any other Person, whether in connection with this Agreement, any Letter of Credit, the transactions contemplated herein or any unrelated transactions; (C) any draft, certificate or any other document presented under the Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; (D) the surrender or impairment of any security for the performance or observance of any of the terms of any of the Loan Documents; (E) payment by Issuing Bank under any Letter of Credit against presentation of any draft or certificate that does not comply with the terms of such Letter of Credit; or (F) any other circumstances or happenings whatsoever, whether or not similar to any of the foregoing. If any

payment by or on behalf of Borrowers received by Issuing Bank with respect to a Letter of Credit and distributed by Issuing Bank to Agent or Lenders on account of their participations is thereafter set aside, avoided or recovered from Issuing Bank in connection with any Insolvency Proceeding, each Lender shall, upon demand by Issuing Bank, contribute such Lender's Pro Rata share of the amount set aside, avoided or recovered together with interest at the rate required to be paid by Issuing Bank upon the amount required to be repaid by it.

(f) Duties of Issuing Bank. Any action taken or omitted to be taken by Issuing Bank in connection with any Letter of Credit, if taken or omitted in the absence of willful misconduct or gross negligence, shall not put Issuing Bank under any resulting liability to any Lender, or assuming that Issuing Bank has complied with the procedures specified in Section 2.02(c) and such Lender has not given a notice contemplated by Section 2.02(g)(i) that continues in full force and effect, relieve that Lender of its obligations hereunder to Issuing Bank. In determining whether to pay under any Letter of Credit, Issuing Bank shall have no obligation relative to Lenders other than to confirm that any documents required to have been delivered under such Letter of Credit appear to comply on their face with the requirements of such Letter of Credit.

(g) Participations. (i) Immediately upon issuance by Issuing Bank of any Letter of Credit in accordance with the procedures set forth in Section 2.02(c), each Lender shall be deemed to have irrevocably and unconditionally purchased and received from Issuing Bank, without recourse or warranty, an undivided interest and participation, to the extent of such Lender's Pro Rata share of the aggregate Revolver Commitments, in such Letter of Credit; provided, however, that a Letter of Credit shall not be entitled to the benefits of this Section 2.02(g) if Issuing Bank has received written notice from any Lender on or before the Business Day immediately prior to the date of Issuing Bank's issuance of such Letter of Credit that any condition contained in Section 2.02(c) or Article III is not then satisfied, and, if Issuing Bank receives such a notice, it shall have no further obligation to issue any Letter of Credit until such notice is withdrawn by that Lender or until the Required Lenders have effectively waived such condition in accordance with the provisions of this Agreement.

(ii) If Issuing Bank makes any payment under any Letter of Credit for which Borrowers shall not have repaid such amount to Issuing Bank pursuant to Section 2.02(d) or which cannot be paid by an Advance pursuant to Section 2.02(d)(iii), Issuing Bank shall promptly notify each Lender of such failure, and each Lender shall promptly and unconditionally pay to Issuing Bank such Lender's Pro Rata share of the amount of such payment in Dollars and in same day funds. If Issuing Bank so notifies such Lender prior to 10:00 a.m. on any Business Day, such Lender shall make available to Issuing Bank its Pro Rata share of the amount of such payment on such Business Day in same day funds. If and to the extent such Lender shall not have so made its Pro Rata share of the amount of such payment available to Issuing Bank, such Lender agrees to pay to Issuing Bank forthwith on demand, such amount together with interest thereon, for each day from the date such payment was first due until the date such amount is paid to Issuing Bank at the Ease Rate. The failure of any Lender to make available to Issuing Bank its Pro Rata share of any such payment shall neither relieve nor increase the obligation of any other Lender hereunder to make available to Issuing Bank its Pro Rata share of any payment on the date such payment is to be made.

(iii) Whenever Issuing Bank receives a payment on account of a Reimbursement Obligation, including any interest thereon, as to which Issuing Bank has received any payments from Lenders pursuant to this Section 2.02(g), it shall promptly pay to each Lender that has funded its participating interest therein, in Dollars and in the kind of funds so received, an amount equal to such Lender's Pro Rata share thereof. Each such payment shall be made by Issuing Bank on the Business Day on which the funds are paid to such Person, if received prior to 10:00 a.m. on such Business Day, and otherwise on the next succeeding Business Day.

(iv) The obligations of Lenders to make payments to Issuing Bank with respect to a Letter of Credit shall be irrevocable and not subject to any qualification or exception whatsoever and shall be made in accordance with, but not subject to, the terms and conditions of this Agreement under all circumstances (assuming that Issuing Bank has issued such Letter of Credit in accordance with Section 2.02(c) and such Lender has not given a notice contemplated by Section 2.02(g)(i) that continues in full force and effect), including any of the following circumstances: (A) any lack of validity or enforceability of this Agreement or any of the other Loan Documents; (B) the existence of any claim, setoff, recoupment, defense or other right which any Obligor may have at any time against a beneficiary named in a Letter of Credit or any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), Issuing Bank, Agent, any Lender or any other Person, whether in connection with this Agreement, any Letter of Credit, the transactions contemplated herein or any unrelated transactions; (C) any draft, certificate or any other document presented under the Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; (D) the surrender or impairment of any security for the performance or observance of any of the terms of any of the Loan Documents; (E) payment by Issuing Bank under any Letter of Credit against presentation of any draft or certificate that does not comply with the terms of such Letter of Credit; or (F) any other circumstances or happenings whatsoever, whether or not similar to any of the foregoing.

(h) Compensation for Letters of Credit. Borrowers shall pay to Agent with respect to each Letter of Credit issued hereunder a LC Fee and a LC Facility Fee in accordance with Sections 2.08(b) and (c). Borrowers shall pay to Issuing Bank, solely for its own account, the standard charges assessed by Issuing Bank in connection with the issuance, administration, amendment, renewal and payment or cancellation of Letters of Credit, which charges shall be those typically charged by Issuing Bank to its customers generally having credit and other characteristics similar to Borrowers, as determined in good faith by Issuing Bank.

(i) Cash Collateral. If any LC Obligations, whether or not then due or payable, shall for any reason be outstanding at any time (i) that a Default an Event of Default exists, (ii) Availability is less than zero, (iii) the Termination Date has occurred, or (iv) within 5 days prior to the Termination Date, then Borrowers shall, at Issuing Bank's or Agent's request, Cash Collateralize the Undrawn Amount of all outstanding Letters of Credit and pay to Issuing Bank the amount of all other LC Obligations (whether or not then due and payable). Borrowers shall, on demand by Issuing Bank or Agent from time to time, Cash Collateralize the Fronting Exposure of any Defaulting Lender. If Borrowers fail to Cash Collateralize as required hereunder, Lenders may (and shall upon direction of Agent) advance, as Revolver Advances, the amount necessary to so Cash Collateralize (whether or not the Commitments have been terminated, any of the conditions set forth in Article III are satisfied, or the aggregate Revolving Credit Exposure of Lenders would exceed the Maximum Revolver Limit). Borrowers, and to the extent applicable, Defaulting Lender, each hereby grants to Agent, for the benefit of Issuing Bank, a first priority security interest in all Cash provided to Cash Collateralize any LC Obligations.

(j) Indemnification; Exoneration. (i) In addition to amounts payable as elsewhere provided in this Agreement, Borrowers shall protect, indemnify, pay and save each Credit Party harmless from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including reasonable attorneys' fees) which any Credit Party may incur or be subject to as a consequence of the issuance of any Letter of Credit for Borrowers' account other than as a result of such Lender's gross negligence or willful misconduct, as determined by a court of competent jurisdiction.

(ii) As between Borrowers, Issuing Bank, Agent and Lenders, Borrowers assume all risks of the acts and omissions of, or misuse of the Letters of Credit issued for such Borrowers' account by, the respective beneficiaries of such Letters of Credit. In furtherance and not in limitation of the foregoing, no Credit Party shall be responsible for (A) the form, validity, sufficiency, accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for and issuance of the Letters of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged, (B) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason, (C) failure of the beneficiary of a Letter of Credit to comply duly with conditions required in order to draw upon such Letter of Credit, (D) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise, whether or not they be in cipher, for errors in interpretation of technical terms, (E) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any Letter of Credit or of the proceeds thereof, (F) the misapplication by the beneficiary of a Letter of Credit of the proceeds of any drawing under such Letter of Credit; and (G) any consequences arising from causes beyond the control of any Credit Party.

(iii) In furtherance and extension and not in limitation of the specific provisions hereinabove set forth, any action taken or omitted by Issuing Bank under or in connection with the Letters of Credit or any related certificates if taken or omitted in good faith and with reasonable care, shall not put any Credit Party under any resulting liability to Borrowers or relieve Borrowers of any of its obligations hereunder to any such Person.

SECTION 2.03. Method of Borrowing and Funding Advances. (a) Borrowers shall give Agent notice in the form attached hereto as Exhibit A (a "Notice of Borrowing") prior to 11:00 a.m. at least 3 Business Days before each proposed Borrowing, which such Notice of Borrowing shall include (i) the date of such Borrowing, which shall be a Business Day, (ii) the aggregate amount of such Borrowing, (iii) the Borrower or Borrowers that will use proceeds of such Advance and if more than one Borrower is listed, how the proceeds will be allocated among the Borrowers, and (iv) the initial Interest Period for such Advance. If the Notice of Borrowing does not specify the initial Interest Period for any Advance, then the Interest Period shall be one month. Notwithstanding any provision set forth in this Agreement to the contrary, if Borrowers request an Advance at which time 10 or more Euro-Dollar Advances are outstanding, then such Advance shall be a Base Rate Advance.

(b) Upon receipt of a Notice of Borrowing, Agent shall promptly notify each Lender of the contents thereof and of such Lender's Pro Rata share of such Borrowing, and such Notice of Borrowing, once received by Agent, shall not thereafter be revocable by Borrowers.

(c) Not later than 1:00 p.m. on the date of each Borrowing, each Lender shall make available its Pro Rata share of such Borrowing, in federal or other funds immediately available in Birmingham, Alabama, to Agent at its address referred to in or specified pursuant to Section 11.01. Unless Agent determines that any applicable condition specified in Article III has not been satisfied Agent will disburse the funds so received from Lenders to Borrowers.

(d) Unless payment is otherwise timely made by a Loan Party, the becoming due of any Obligations (whether as principal, accrued interest, fees or other charges, including Credit Party Expenses and LC Obligations, and any amounts owed in respect of Banking Relationship Debt) shall be deemed irrevocably to be a request (without any requirement for the submission of a Notice of Borrowing) for Revolver Advances on the due date of, and in an aggregate amount required to pay, such Obligations; and the proceeds of such Revolver Advances may be disbursed by Agent by way of direct payment of the relevant Obligations and such Revolver Advances shall bear interest as Base Rate Advances; but Credit Parties shall have no obligation to honor any such deemed request for Revolver Advances if a Default or an Event of Default exists or if the funding of such deemed request for Revolver Advances would cause the Maximum Revolver Limit to be exceeded.

SECTION 2.04. Presumption of Funding by Lenders. Unless Agent has received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to Agent such Lender's Pro Rata share of such Borrowing, Agent may assume that such Lender has made such share available on such date in accordance with Section 2.03 and may, in reliance upon such assumption, make available to Borrowers a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to Agent, then the applicable Lender and Borrowers severally agree to pay to Agent forthwith, on demand, such corresponding amount with interest thereon, for each day from and including the date such amount is made available to Borrowers to but excluding the date of payment to Agent, at (i) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by Agent in accordance with banking industry rules on interbank compensation and (ii) in the case of a payment to be made by Borrowers, the interest rate applicable to Base Rate Advances. If Borrowers and such Lender shall pay such interest to Agent for the same or an overlapping period, Agent shall promptly remit to Borrowers the amount of such interest paid by Borrowers for such period. If such Lender pays its share of the applicable Borrowing to Agent, then the amount so paid shall constitute such Lender's Advance included in such Borrowing. Any payment by Borrowers shall be without prejudice to any claim Borrowers may have against a Lender that has failed to make such payment to Agent.

SECTION 2.05. Evidence of Debt. (a) Each Lender shall maintain in accordance with its usual practices an account or accounts evidencing the Obligations of each Borrower to such Lender, as applicable, resulting from each Advance owing to such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder in respect of the Advances. Borrowers agree that, upon notice by any Lender to Borrower Agent (with a copy of such notice to Agent) to the effect that a note is required or appropriate in order for such Lender to evidence (whether for purposes of pledge, enforcement or otherwise) the Advances owing to, or to be made by, such Lender, Borrower shall promptly execute and deliver to such Lender a Note (whether a Revolver Note or Term Loan Note), properly completed, payable to such Lender and its registered assigns in a principal amount up to the Revolver Commitment of such Lender (in the case of a Revolver Note) and in an amount equal to the outstanding principal amount of the Term Loan Advance of such Lender (in the case of a Term Loan Note).

(b) The Register maintained by Agent shall include a control account, and a subsidiary account for each Lender, in which accounts (taken together) shall be recorded (i) the date and amount of each Borrowing, the Class of Advances comprising such Borrowing and, if appropriate, the Interest Period applicable thereto, (ii) the terms of each Assignment and Assumption delivered to and accepted by it, (iii) the amount of any principal or interest due and payable or to become due and payable from Borrowers to each Lender hereunder, and (iv) the amount of any sum received by Agent from each Borrower hereunder and each Lender's Pro Rata share thereof.

(c) Entries made in good faith by each Lender in its account or accounts pursuant to subsection (a) above shall be *prima facie* evidence of the amount of principal and interest due and payable or to become due and payable from Borrowers to such Lender under this Agreement, absent manifest error; provided, however, that the failure of such Lender to make an entry, or any finding that an entry is incorrect, in such account or accounts, shall not limit or otherwise affect the Obligations of any Borrower under this Agreement with respect to Advances made and not repaid with interest as provided herein.

SECTION 2.06. Payment of Obligations. (a) Borrowers shall make each payment of principal of, and interest on, the Advances and other Obligations, including amounts payable under the Agent's Letter Agreement, and other fees and charges provided for under any of the other Loan Documents, without any setoff, counterclaim or deduction whatsoever and free and clear of (and without deduction for) any present or future Taxes and in immediately available funds not later than 12:00 noon

on the due date (and payment made after such time on the due date to be deemed to have been made on the next succeeding Business Day). Borrowers shall, at the time they make any payment under this Agreement, specify to Agent the Obligations to which such payment is to be applied and, if Borrowers fail to do so or the application specified would be inconsistent with the terms of this Agreement or if any Default or an Event of Default exists, Agent shall distribute such payment to Lenders for application to the Obligations in such manner as Agent, in its reasonable discretion and subject to the provisions of this Agreement, may determine to be appropriate. All payments received by Agent shall be subject to the rights of offset Agent may have as to amounts otherwise to be remitted to a particular Lender by reason of amounts due Agent from such Lender under any of the Loan Documents.

(b) Unless Agent shall have received notice from Borrower Agent prior to the date on which any payment is due to Agent for the account of Lenders hereunder that Borrowers will not make such payment, Agent may assume that Borrowers have made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to Lenders the amount due. In such event, if Borrowers have not in fact made such payment, then each Lender severally agrees to repay to Agent forthwith, on demand, the amount so distributed to such Lender, with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to Agent, at the greater of the Federal Funds Rate and a rate determined by Agent in accordance with banking industry rules on interbank compensation.

(c) The principal amount of the Term Loan Advances shall be repaid in installments on each Quarterly Payment Date commencing on September 30, 2017, each in the amount of $2,500,000; provided, however, that the entire amount of the outstanding Term Loan Advances shall be due and payable in full on the Term Loan Maturity Date.

(d) All Revolver Advances constituting Base Rate Advances shall be paid by Borrowers to Agent, for the Pro Rata benefit of Lenders, immediately upon the close of banking business of Agent in Birmingham, Alabama on the Termination Date. All Revolver Advances constituting Euro-Dollar Advances shall be paid by Borrowers to Agent, for the Pro Rata benefit of Lenders, unless converted to a Base Rate Advance or continued as a Euro-Dollar Advance in accordance with the terms of this Agreement, immediately upon (i) the last day of the Interest Period applicable thereto and (ii) the Termination Date. Borrowers shall not be authorized to make a voluntary prepayment with respect to any Revolver Advances outstanding as Euro-Dollar Advances prior to the last day of the applicable Interest Period unless (x) otherwise agreed in writing by Agent or Borrowers are otherwise authorized or required by any other provisions of this Agreement to pay Euro-Dollar Advances outstanding on a day other than the last day of the applicable Interest Period, and (y) Borrowers pay to Agent, for the Pro Rata benefit of Lenders, concurrently with any prepayment of a Euro-Dollar Advance any amount due under Section 9.05 as a consequence of such prepayment; provided, however, if, on any date Agent receives proceeds of any Accounts or Inventory of a Borrower, there are no Revolver Advances outstanding as Base Rate Advances, Agent may either hold such Proceeds as Cash security for the timely payment of the Obligations or apply such Proceeds to any outstanding Revolver Advances bearing interest as Euro-Dollar Advances as the same become due and payable (whether at the end of the applicable Interest Periods or on the Termination Date). Notwithstanding anything to the contrary contained in this Agreement, if on any date an Overadvance exists, then Borrowers shall, on the sooner to occur of the first Business Day after any Borrower has obtained knowledge thereof or Agent's demand, repay the outstanding Revolver Advances in an amount sufficient to satisfy such Overadvance and if such Overadvance is a Euro-Dollar Advance, Borrowers shall also pay to Agent for the Pro Rata benefit of Lenders any amounts required to be paid by Section 9.05 by reason of the prepayment of a Euro-Dollar Advance prior to the last day of the Applicable Interest Period.

(e) Interest accrued with respect to each Base Rate Advance shall be due and payable on each Interest Payment Date while such Base Rate Advance is outstanding and on the date such Base Rate Advance is repaid. Interest accrued with respect to each Euro-Dollar Advance shall be due and payable on each Interest Payment Date while such Euro-Dollar Advance is outstanding and on the date such Euro-Dollar Advance is repaid. Any overdue principal of and, to the extent permitted by Applicable Law, overdue interest on any Advance shall bear interest, payable on demand, for each day until paid in full at a rate per annum equal to the Default Rate.

(f) All principal payments on Revolver Advances will be allocated to reduce the outstanding principal balance attributable to each Borrower's Revolver Sublimit on a pro rata basis according to the amount of each respective Borrower's Revolver Sublimit unless, provided no Default or Event of Default exists Borrower Agent provides Agent written instructions with a different allocation simultaneously with such principal payment.

SECTION 2.07. Interest Rates; Interest Election Request. (a) Each Base Rate Advance shall bear interest on the outstanding principal amount thereof, for each day from the date such Advance is made until it becomes due, at a rate per annum equal to the Base Rate for such day plus the Applicable Margin.

(b) Each Euro-Dollar Advance shall bear interest on the outstanding principal amount thereof, during each Interest Period from the date of such Advance is made until it becomes due, at a rate per annum equal to the sum of (1) the Applicable Margin plus (2) LIBOR for the Interest Period selected by Borrower Agent.

(c) Agent shall determine each interest rate applicable to the Advances hereunder in accordance with the terms of this Agreement. Agent's determination thereof shall be conclusive in the absence of manifest error.

(d) After the occurrence and during the continuance of an Event of Default (other than an Event of Default under Sections 7.01(g) or (h)), the principal amount of the Advances (and, to the extent permitted by Applicable Law, all accrued interest thereon) may, at the election of the Required Lenders, bear interest at the Default Rate; provided, however, that automatically whether or not the Required Lenders elect to do so, (i) any overdue principal of and, to the extent permitted by Applicable Law, overdue interest on the Advances shall bear interest payable on demand, for each day until paid at a rate per annum equal to the Default Rate, and (ii) after the occurrence and during the continuance of an Event of Default described in Sections 7.01(g) or (h), the principal amount of the Advances (and, to the extent permitted by Applicable Law, all accrued interest thereon) shall bear interest payable on demand for each day until paid at a rate per annum equal to the Default Rate.

(e) In the case of a Euro-Dollar Borrowing, each Borrowing shall have an initial Interest Period as specified in such Notice of Borrowing. Thereafter, the Borrower Agent may elect Interest Periods therefor all as provided in this Section. This Section shall not apply to Overadvances or Protective Advances, all of which shall be and remain Base Rate Advances.

(f) To make an election pursuant to this Section, the Borrower Agent shall notify the Administrative Agent of such election by email to ldfcagencyservices.us@bbva.com by the time that a Notice of Borrowing would be required under Section 2.03. Each such email Interest Election Request shall be irrevocable.

(g) Each emailed and written Interest Election Request shall specify the following information in compliance with Section 2.03: (i) the name of the applicable Borrower and the Borrowing to which such Interest Election Request applies; (ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day; and (iii) the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period." If any such Interest Election Request requests a Euro-Dollar Borrowing but does not specify an Interest Period, then Borrowers shall be deemed to have selected an Interest Period of one month's duration.

(h) Promptly following receipt of an Interest Election Request, Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(i) If the Borrower Agent fails to deliver a timely Interest Election Request with respect to a Euro-Dollar Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall remain a Euro-Dollar Borrowing. Notwithstanding any contrary provision hereof, if a Default or an Event of Default has occurred and is continuing and Agent, at the request of the Required Lenders, so notifies the Borrower Agent, then, so long as a Default or an Event of Default is continuing (i) no outstanding Borrowing may be converted to or continued as a Euro-Dollar Borrowing and (ii) unless repaid, each Euro-Dollar Borrowing shall be converted to a Base Rate Borrowing at the end of the Interest Period applicable thereto.

SECTION 2.08. Fees. (a) Borrowers shall pay to Agent for the Pro Rata account of each Lender an unused commitment fee equal to the product of (i) the aggregate of the daily average amounts of each Lender's Pro Rata share of the Total Unused Revolver Commitments, times (ii) the Applicable Commitment Fee Rate. Such unused commitment fee shall accrue from and including the Closing Date to and including the Termination Date. Unused commitment fees shall be determined quarterly in arrears and shall be payable on each Quarterly Payment Date and on the Termination Date; provided that should the Revolver Commitments be terminated at any time prior to the Termination Date for any reason, the entire accrued and unpaid fee shall be paid on the date of such termination.

(b) Borrowers shall pay to Agent for the Pro Rata account of each Lender, with respect to each Letter of Credit, a per annum letter of credit fee (the "LC Fee") equal to the Applicable Letter of Credit Fee Rate of the aggregate average daily Undrawn Amounts; provided, however, after the occurrence and during the continuance of an Event of Default (other than an Event of Default under Sections 7.01(g) or (h)), the LC Fee due hereunder shall equal the Applicable Letter of Credit Fee Rate plus 2% per annum of the aggregate daily Undrawn Amounts. Such LC Fee shall be payable in arrears for each Letter of Credit on each Quarterly Payment Date during the term of each respective Letter of Credit and on the termination thereof (whether at its stated expiry date or earlier).

(c) Borrowers shall pay to Agent for the account of Issuing Bank a letter of credit fee (the "LC Facility Fee") with respect to each Letter of Credit equal to the product of: (i) the face amount of such Letter of Credit, multiplied by (ii) 0.25%. Such LC Facility Fee shall be due and payable on such date as may be agreed upon by Issuing Bank and Borrowers. Borrowers shall pay to Issuing Bank, for its own account, transfer fees, drawing fees, modification fees, extension fees and such other fees and charges as may be provided for in any LC Application Agreement or otherwise charged by Issuing Bank. No Lender shall be entitled to any portion of the LC Facility Fees or any other fees payable by Borrowers to Issuing Bank pursuant to this Section 2.08(c).

(d) Borrowers shall pay to Agent, for the account and sole benefit of Agent, such fees and other amounts at such times as set forth in Agent's Letter Agreement.

SECTION 2.09. Computation of Interest and Fees. Interest on the Advances shall be computed on the basis of a year of 360 days and paid for the actual number of days elapsed (including the first day but excluding the last day). Utilization fees, unused commitment fees and any other fees payable hereunder shall be computed on the basis of a year of 360 days and paid for the actual number of days elapsed (including the first day but excluding the last day).

SECTION 2.10. Termination or Reduction of Revolver Commitments; Increase of Revolver Commitments or Term Loan Commitments. (a) Borrowers may, upon at least 3 Business Days' irrevocable notice to Agent, terminate at any time, or proportionately reduce from time to time by an aggregate amount of at least $5,000,000 or any larger multiple of $1,000,000, the Revolver Commitments; provided, however, (1) a termination or reduction, as the case may be, shall be permanent and irrevocable; (2) no such termination or reduction shall be in an amount greater than the Total Unused Revolver Commitments on the date of such termination or reduction; and (3) no such reduction pursuant to this Section 2.10 shall result in the aggregate Revolver Commitments of all of the Lenders being reduced to an amount less than $5,000,000, unless the Revolver Commitments are terminated in their entirety, in which case all accrued fees (as provided under Section 2.08) shall be payable on the effective date of such termination. Each reduction shall be made ratably among Lenders in accordance with their respective Revolver Commitments and shall reduce each Borrower's Revolver Sublimit on a pro rata basis according to the amount of each respective Borrower's Revolver Sublimit.

(b) Provided no Default or Event of Default exists (or would exist immediately after giving effect to such increase in the aggregate amount of Lenders' Revolver Commitment or Term Loan Commitment), upon notice to Agent (which shall promptly notify Lenders) and delivery by Borrowers of an updated proforma Compliance Certificate which takes into account the requested increase and which does not forecast any covenant non-compliance, Borrowers may from time to time request increases in the aggregate amount of the Revolver Commitment and the Term Loan Commitment; provided that (i) each such request shall be in a minimum amount of $10,000,000 and in increments of $1,000,000 in excess thereof, (ii) the aggregate amount by which the Revolver Commitment and the Term Loan Commitment are increased shall not exceed $50,000,000, (iii) all representations and warranties of Loan Parties contained in Article IV of this Agreement and the other representations and warranties contained in the Loan Documents are true, on and as of the date of such increase and immediately after giving effect to such increase, (iv) after giving effect to such increased amount (and assuming that the full amount of such increase has been funded) and any permitted Acquisition, refinancing of Debt or other event giving rise to a pro forma adjustment, Borrowers shall be in pro forma compliance with each of the Financial Covenants, in each case, recomputed as of the last day of the most recently ended Fiscal Quarter for which a Compliance Certificate has been delivered, (v) the maturity date of any increase to the Term Loan Commitment and the weighted average life to maturity of such increase shall not be earlier than or shorter than, as applicable, the Term Loan Maturity Date or the remaining weighted average life to maturity of the existing Term Loan Advances, (vi) the interest rate, maturity date, amortization and fees with respect to any increases in the aggregate amount of Lenders' Term Loan Commitment shall be determined between Borrowers and the participating Lenders; all other terms shall be identical to the existing Term Loan Advances, (vii) any increases to the aggregate amount of Lenders' Revolver Commitment shall be or the same terms as the existing Revolver Advances, provided Borrowers and the participating Lenders may agree on the amount and types of fees due in connection with such increase, and (viii) all conditions precedent set forth in Sections 3.01 and 3.02 shall be satisfied. Any request under this Section 2.10(b) shall be submitted by Borrowers to Lenders through Agent not less than 45 days prior to the proposed increase and specify the proposed effective date and amount of such increase. Each Lender shall be afforded a reasonable time (such time period to be determined by Agent and the Lead Arranger in consultation with Borrowers and Lenders) after receipt of such notice to perform its customary due diligence and underwriting procedures, and shall be entitled (but not obligated) to increase its Revolver Commitment or Term Loan Commitment, as applicable, ratably with the other Lenders so as

to maintain its Pro Rata share. Within such time period, each Lender shall notify Agent whether or not it agrees to an increase in its Revolver Commitment or Term Loan Commitment, as applicable and, if so, whether by an amount equal to, greater than, or less than its Pro Rata share of such requested increase. Any Lender not responding within such time period shall be deemed to have declined to increase its Revolver Commitment or Term Loan Commitment, as applicable. Agent shall notify Borrower and each Lender of Lenders' responses to the request made hereunder. To achieve the full amount of the requested increase in the Revolver Commitments or Term Loan Commitments of all Lenders, and subject to the approval of Agent and Lenders (such approval not to be unreasonably withheld, conditioned or delayed), Borrowers may also invite additional financial institutions to become Lenders hereunder provided that each such additional financial institution would qualify as an Eligible Assignee. If the increased Revolver Commitments or Term Loan Commitments, as applicable, are provided in accordance with this Section 2.10(b), Agent and Borrowers (in consultation with Lenders) shall determine the closing date and the final allocation of the increased Revolver Commitments among Lenders. Borrowers, Agent and Lenders (including any additional Lender) shall execute and deliver an amendment to this Agreement and such additional Revolver Notes and Term Notes, as applicable, and other documents as may be required by Agent to consummate the increase in the Revolver Commitments or Term Loan Commitments, as applicable. Upon the closing of any such increase in the Revolver Commitments, Borrower shall be obligated to pay additional arrangement fees and upfront fees of the type described in Agent's Letter Agreement, such fees to be determined by the Lead Arranger and Agent (in consultation with Lenders), and agreed to by Borrowers, and such other fees as may be required by any additional Lender and agreed to by Borrowers.

(c) The Revolver Commitments shall terminate on the Termination Date and any Revolver Advances then outstanding (together with accrued interest thereon) shall be due and payable on such date.

SECTION 2.11. Optional Prepayments.

(a) Borrowers may, upon at least 3 Business Days' notice to Agent, subject to any applicable payments required pursuant to the terms of Section 9.05 for such, prepay the Term Loan Advances in whole at any time or in part from time to time in amounts aggregating at least $1,000,000, or any larger multiple of $100,000 (or lesser amount if such amount constitutes the entire outstanding Term Loan Advances), by paying the principal amount to be prepaid together with accrued interest thereon to the date of prepayment. Each such optional prepayment shall be applied to prepay the Term Loan Advances of Lenders and all such prepayments of principal shall be applied to installments of principal in the inverse order of their maturities.

(b) Borrower may, subject to any applicable payments required pursuant to Section 9.05 for such, prepay any Revolver Borrowing in whole at any time, or from time to time, by paying the principal amount to be prepaid together with accrued interest thereon to the date of prepayment. Each such optional prepayment shall be applied on a Pro Rata basis the Revolver Advances of the several Lenders included in such Borrowing

(c) Upon receipt of a notice of prepayment pursuant to this Section 2.11, Agent shall promptly notify each Lender of the contents thereof and of such Lender's Pro Rata share of such prepayment and such notice, once received by Agent, shall not thereafter be revocable by Borrowers.

SECTION 2.12. Mandatory Prepayments. (a) On each date on which the Revolver Commitments are reduced or terminated pursuant to Section 2.10, Borrowers shall repay or prepay such principal amount of the outstanding Revolver Advances, if any (together with interest accrued thereon and any amount due under Section 9.05), as may be necessary so that after such payment the aggregate

unpaid principal amount of the Revolver Advances does not exceed the aggregate amount of the Revolver Commitments as then reduced. Each such payment or prepayment shall be applied on a Pro Rata basis to the Revolver Advances of Lenders outstanding on the date of payment or prepayment, first to Base Rate Advances and then to Euro-Dollar Advances.

(b) In the event that an Overadvance exists at any time, Borrower shall immediately repay so much of the Revolver Advances as is necessary in order to extinguish such Overadvance.

(c) Any repayment or prepayment made pursuant to this Section shall not affect Borrowers' obligation to continue to make payments under any Hedging Agreement, which shall remain in full force and effect notwithstanding such repayment or prepayment, subject to the terms of such Hedging Agreement.

(d) If any Loan Party or any Subsidiary of any Loan Party disposes of any Property (other than Inventory) which, when combined with all other such dispositions made by Loan Parties and any Subsidiaries of any Loan Party during any Fiscal Year, results in the realization of aggregate Net Cash Proceeds in excess of $500,000 during such Fiscal Year, Loan Parties shall promptly (but in no event more than five Business Days after such Loan Party's (or such Loan Party's Subsidiary's) receipt of such excess Net Cash Proceeds pay or prepay an amount equal to such excess Net Cash Proceeds; provided, however, that so long as no Default or Event of Default exists, Net Cash Proceeds relating to the disposition of obsolete or retired Equipment in the ordinary course of a Loan Party's (or a Loan Party's Subsidiary's) business shall not be included (and shall not count against the $500,000 threshold set forth above) to the extent Borrowers deliver to Agent a certificate stating that the applicable Loan Party (or applicable Loan Party's Subsidiary) intends to use such Net Cash Proceeds to acquire like assets useful to its business within 90 days after the receipt of such Net Cash Proceeds or to reimburse itself for such a purchase occurring before receipt of such Net Cash Proceeds. Each such payment or prepayment shall be applied on a Pro Rata basis in the following order: first to the aggregate principal amount of Term Loan Advances until paid in full; second to the outstanding Revolver Advances as of the date of such payment or payment or prepayment until paid in full; and third to Cash Collateralize the Undrawn Amounts of any outstanding Letters of Credit.

(e) Upon the sale or issuance by any Loan Party or any Subsidiary of any Loan Party of any Equity Interests (other than any sale or issuance of Equity Interests to another Loan Party or an Approved IPO or any subsequent offering of securities to the public, the sale or issuance of Equity Interests pursuant to an Acquisition, or the issuance of Equity Interests pursuant to an employee stock purchase or stock option plan or other plan for the benefit of employees of a Loan Party, including, without limitation, any proceeds from stock issued to employees of a Loan Party pursuant to the Roberts Stock Purchase), Borrowers shall pay or prepay an amount equal to all Net Cash Proceeds received therefrom and immediately upon receipt thereof by such Loan Party or Subsidiary. Each such payment or prepayment shall be applied on a Pro Rata basis in the following order: first to the aggregate principal amount of Term Loan Advances until paid in full; second to the outstanding Revolver Advances as of the date of such payment or payment or prepayment until paid in full; and third to Cash Collateralize the Undrawn Amounts of any outstanding Letters of Credit.

(f) Upon the incurrence or issuance by any Loan Party of any Debt (other than Debt expressly permitted to be incurred or issued pursuant to Section 6.06), Borrowers shall pay or prepay an amount equal to the amount of such Debt immediately upon receipt thereof by such Loan Party. Each such payment or prepayment shall be applied on a Pro Rata basis in the following order: first to the aggregate principal amount of Term Loan Advances until paid in full; second to the outstanding Revolver Advances as of the date of such payment or payment or prepayment until paid in full; and third to Cash Collateralize the Undrawn Amounts of any outstanding Letters of Credit.

(g) Upon any settlement of or payment to any Loan Party with respect to any property or casualty insurance claim in excess of $500,000, Borrower shall pay or prepay an amount equal to all Net Cash Proceeds received therefrom and immediately upon receipt thereof by such Loan Party unless Borrower Agent delivers a Reinvestment Notice with respect to such settlement or payment and to the extent such Net Cash Proceeds are used to acquire or repair assets damaged or affected by such insurance claim as set forth in the Reinvestment Notice. Each such payment or prepayment shall be applied on a Pro Rata basis in the following order: first to the aggregate principal amount of Term Loan Advances until paid in full; second to the outstanding Revolver Advances as of the date of such payment or payment or prepayment until paid in full; and third to Cash Collateralize the Undrawn Amounts of any outstanding Letters of Credit.

SECTION 2.13. Tax Payments and Indemnification.

(a) Payments Free of Taxes. Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Credit Party receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes. The Loan Parties shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or, at the option of Agent, timely reimburse it for the payment of, any Other Taxes.

(c) Indemnification by Loan Parties. Loan Parties shall jointly and severally indemnify each Credit Party, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Credit Party or required to be withheld or deducted from a payment to such Credit Party and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to Borrower Agent by a Credit Party (with a copy to Agent), or by Agent on its own behalf or on behalf of a Credit Party, shall be conclusive absent manifest error.

(d) Indemnification by the Lenders. Each Lender shall severally indemnify Agent, and pay to Agent within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified Agent for such Indemnified Taxes and without limiting the obligation of Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.07(c) relating to the maintenance of a Participant Register, and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by Agent shall be conclusive absent manifest error. Each Lender hereby authorizes Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by Agent to the Lender from any other source against any amount due to Agent under this Section 2.13(d).

(e) Evidence of Payments. As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 2.13, such Loan Party shall deliver to Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to Agent.

(f) Status of Lenders. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to Borrower Agent and Agent, at the time or times reasonably requested by Borrower Agent or Agent, such properly completed and executed documentation reasonably requested by Borrower Agent or Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by Borrower Agent or Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by Borrower Agent or Agent as will enable Borrower Agent or Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.13(f)(ii)(A), (f)(ii)B) and (f)(ii)(D) below) shall not be required if in such Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that a Borrower is a U.S. Borrower:

(A) any Lender that is a U.S. Person shall deliver to Borrower Agent and Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrowers or Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax:

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower Agent and Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower Agent or Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate acceptable to Agent to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of a Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS FormW-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, a U.S. Tax Compliance Certificate acceptable to Agent, IRS FormW-9, and other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate acceptable to Agent on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower Agent and Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower Agent or Agent), executed copies of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit Borrower Agent or Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Credit Party under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Credit Party were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Credit Party shall deliver to Borrower Agent and Agent at the time or times prescribed by Applicable Law and at such time or times reasonably requested by Borrower Agent or Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471 (b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Borrower Agent or Agent as may be necessary for Borrower Agent and Agent to comply with their obligations under FATCA and to determine that such Credit Party has complied with such Credit Party's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Credit Party agrees that, if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify Borrower Agent and Agent in writing of its legal inability to do so.

(g) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.13 (including by the payment of additional amounts pursuant to this Section 2.13), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such

indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this Section 2.13(g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) if such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 2.13(g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 2.13(g) the payment of which would place the indemnified party in a less favorable net after-tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Survival. Each party's obligations under this Section 2.13 shall survive the resignation or replacement of Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

SECTION 2.14. Defaulting Lenders. Notwithstanding anything contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by Applicable Law:

(a) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 11.05(a);

(b) Defaulting Lender Waterfall. Until such time as the Default Excess with respect to such Defaulting Lender shall have been reduced to zero and except as otherwise provided in this Section 2.14, any payment of principal, interest, fees, or other amounts received by Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise, and including any amounts made available to Agent by such Defaulting Lender pursuant to this Section 2.14), shall be deemed paid to and redirected by such Defaulting Lender to be applied at such time or times as may be determined by Agent as followsfirst, to the payment of any amounts owing by such Defaulting Lender to Agent hereunder; second, to the payment on a Pro Rata basis of any amounts owing by such Defaulting Lender to Issuing Bank ; third, to Cash Collateralize Issuing Bank's Fronting Exposure with respect to such Defaulting Lender in accordance withSection 2.02(i); fourth, as Borrower Agent may request (so long as no Default or Event of Default exists), to the funding of any Advance in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by Agent; fifth, if so determined by Agent and Borrower Agent, to be held in a deposit account and released Pro Rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Advances under this Agreement and (y) Cash Collateralize Issuing Bank's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.02(i); sixth, to the payment of any amounts owing to Lenders or Issuing Bank as a result of any judgment of a court of competent jurisdiction obtained by any Lender or Issuing Bank against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to Borrowers as a result of any judgment of a court of competent jurisdiction obtained by Borrowers against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided, however, that if (x) such payment is a payment of the principal amount of any Advances or Reimbursement Obligations in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Advances were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 3.02

were satisfied or waived, such payment shall be applied solely to pay the Advances of, and Reimbursement Obligations owed to, all Non-Defaulting Lenders on a Pro Rata basis prior to being applied to the payment of any Advances of, or Reimbursement Obligations owed to, such Defaulting Lender until such time as all Advances and funded and unfunded participations in LC Obligations are held by Lenders Pro Rata in accordance with the Commitments under the applicable Credit Facility without giving effect to Section 2.02(g)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to Section 2.02(i) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(c) Certain Fees.

(i) Commitment Fees. No Defaulting Lender shall be entitled to receive any unused commitment fee payable under Section 2.08(a) for any period during which that Lender is a Defaulting Lender (and Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(ii) Each Defaulting Lender shall be entitled to receive LC Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Pro Rata share of the Undrawn Amount of Letters of Credit for which it has provided a portion of the Cash to Cash Collateralize pursuant to Section 2.02(i).

(iii) With respect to any unused commitment fee or LC Fee not required to be paid to any Defaulting Lender pursuant to clause (i) or (ii) above, Borrowers shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in LC Obligations that has been reallocated to such Non- Defaulting Lender pursuant to paragraph (d) below, (y) pay to Issuing Bank the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Issuing Bank's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(d) Reallocation of Participations to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in LC Obligations shall be reallocated among the Non-Defaulting Lenders on a Pro Rata basis (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that (x) the conditions set forth in Section 3.02 are satisfied at the time of such reallocation (and, unless Borrower shall have otherwise notified Agent at such time, Borrowers shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (y) such reallocation does not cause the Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolver Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(e) Cash Collateral. If the reallocation described in paragraph (d) above cannot, or can only partially, be effected, Borrowers shall, without prejudice to any right or remedy available to them hereunder or under Applicable Law, Cash Collateralize Issuing Bank's Fronting Exposure in accordance with the procedures set forth in Section 2.02(i).

(f) Defaulting Lender Cure. If Borrower, Agent and Issuing Bank agree in writing that a Lender is no longer a Defaulting Lender, Agent will so notify Lenders and Borrower Agent, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash used to Cash Collateralize), that Lender shall,

to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as Agent may determine to be necessary to cause the Advances and funded and unfunded participations in Letters of Credit to be held Pro Rata by Lenders in accordance with the Commitments under the applicable Credit Facility (without giving effect to Section 2.14(d)), whereupon such Lender will cease to be a Defaulting Lender;provided, however, that (i) no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of Borrower while that Lender was a Defaulting Lender and (ii) except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(g) New Letters of Credit. So long as any Lender is a Defaulting Lender, no Issuing Bank shall be required to issue, extend, renew or increase any Letter of Credit unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

SECTION 2.15. Replacement of Certain Lenders. If a Lender (an "Affected Lender") shall have (a) become a Defaulting Lender, (b) requested compensation from Borrowers under Section 2.13 with respect to Taxes or Other Taxes or with respect to increased costs or capital or underSection 9.03 or other additional costs incurred by such Lender which, in any case, are not being incurred generally by the other Lenders, (c) has not agreed to any consent, waiver or amendment that requires the agreement of all Lenders (or all affected Lenders) in accordance with the terms of Section 11.05 and as to which the Required Lenders have agreed, or (d) delivered a notice pursuant to Section 9.02 claiming that such Lender is unable to extend Euro-Dollar Advances for reasons not generally applicable to the other Lenders, then, in any such case, Borrower Agent or Agent may make written demand on the Affected Lender (with a copy to Agent in the case of a demand by Borrower Agent and a copy to Borrower Agent in the case of a demand by Agent) for the Affected Lender to assign, without recourse, and such Affected Lenders shall assign, without recourse, pursuant to one or more duly executed Assignments and Assumptions 5 Business Days after the date of such demand, to one or more financial institutions that comply with the provisions of Section 11.07 which Borrower Agent or Agent, as the case may be, shall have engaged for such purpose (the "Replacement Lender"), all of such Affected Lender's rights and obligations under this Agreement and the other Loan Documents (including its Commitments (if any), all Advances owing to it, and its obligations (if any) to participate in additional Letters of Credit hereunder) in accordance with Section 11.07), provided that (i) such Lender shall have received payment of an amount equal to the outstanding principal of its Advances and participations in Reimbursement Obligations, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 9.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or Borrower (in the case of all other amounts); (ii) in the case of any such assignment resulting from a claim for compensation under Section 9.03 or payments required to be made pursuant to Section 2.13, such assignment will result in a reduction in such compensation or payments thereafter; and (iii) in the case of any assignment resulting from a subsection (c) above, the applicable assignee shall have consented to the applicable amendment, waiver or consent. A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling Borrower to require such assignment and delegation cease to apply. Agent is authorized to execute one or more of such Assignments and Assumptions as attorney-in-fact for any Affected Lender failing to execute and deliver the same within 5 Business Days after the date of such demand. Upon such Affected Lender's replacement, such Affected Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 2.13 and Section 9.03, as well as to any fees accrued for its account hereunder and not yet paid, and shall continue to be obligated for all indemnities and reimbursement obligations under this Agreement (including pursuant to Section 11.03) or any other Loan Document with respect to losses, obligations, liabilities, damages, penalties, actions, judgments, costs, expenses or disbursements for matters that occurred prior to the date on which the Affected Lender is replaced.

SECTION 2.16. Borrower Agent. Each Loan Party hereby irrevocably appoints Construction Partners, and Construction Partners agrees to act under this Agreement, as the agent and representative of itself and each other Loan Party for all purposes under this Agreement (in such capacity, the "Borrower Agent"), including for the purposes of requesting Borrowings, requesting the issuance of Letters of Credit and executing each LC Application Agreement for and on behalf of all Borrowers, selecting the Interest Period for such Advance, receiving account statements from Agent or any Lender, and receiving for and on behalf of all Loan Parties other notices and communications to any of them from Agent or any other Credit Party and each Loan Party agrees that any communication to Borrower Agent shall be deemed to have been received by it and any payment made to Borrower Agent for Borrowers shall be deemed to have been received by all Borrowers. Each Credit Party may rely, and shall be fully protected in relying, on any Notice of Borrowing, request for the issuance of a Letter of Credit, disbursement instructions, reports, information or any other notice or communication made or given by Borrower Agent, whether in its own name, on behalf of any Loan Party or on behalf of "the Borrowers" or "the Loan Parties," and no Credit Party shall have any obligation to make any inquiry or request any confirmation from or on behalf of any other Loan Party as to the binding effect on such Loan Party of any such notice, request or information, nor shall the joint and several character of the liability of Loan Parties for the Obligations (and Guaranteed Obligations) be affected; provided, however, that the provisions of this Section 2.16 shall not be construed so as to preclude any Borrower from directly requesting Borrowings or taking other actions permitted to be taken by "a Borrower" hereunder. Agent may maintain a single loan account in the name of "Construction Partners" hereunder and each Loan Party expressly agrees to such arrangement and confirms that such arrangement shall have no effect on the joint and several character of such Loan Party's liability for the Obligations (including the Guaranteed Obligations) subject to Section 2.18.

SECTION 2.17. Reinstatement of Obligations. If after receipt of any payment or Collateral proceeds that are applied to any part of the Obligations (including a payment effected by exercise of a setoff right) any Credit Party is compelled for any reason to surrender or turn over such payment or proceeds to any Person because such payment or application of proceeds is invalidated, declared fraudulent, set aside, determined to be void or voidable as a preference, impermissible setoff, or a diversion of trust fund, or for any other reason (including pursuant to any settlement entered into by any Credit Party in its discretion), then the Obligations or part thereof intended to be satisfied shall be revived, reinstated and continued in effect and this Agreement shall continue in full force as if such payment or proceeds had not been received by such Credit Party; and the provisions of this Section 2.17 shall be and remain effective notwithstanding any contrary action that may have been taken by any Credit Party in reliance upon such payment or application of proceeds and shall survive the termination of this Agreement.

SECTION 2.18. Joint and Several Liability of Borrowers.

(a) The Obligations of Borrowers shall be joint and several in nature regardless of which such Person actually receives or received (or receives or received the proceeds of) Advances, Letters of Credit and other extensions of credit hereunder, the amount of such Advances, Letters of Credit and other extensions of credit received or the manner in which Agent, the Issuing Bank, any Lender for such Advances, Letters of Credit and other extensions of credit books and records such Advances, Letters Credit and other extensions of credit hereunder. Each Borrower's obligations with respect to Advances, Letters of Credit and other extensions of credit made to it hereunder, and each such Borrower's obligations arising as a result of the joint and several liability of such Borrower hereunder, with respect to Advances, Letters of Credit and other extensions of credit made to and other Obligations owing by the other Borrowers hereunder, shall be primary obligations of each such Borrower.

(b) The obligations of Borrowers under clause (a) above are joint and several, absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any of the Loan Documents, any documentation regarding any Hedging Agreement or any documentation regarding Bank Products, or any other agreement or instrument referred to therein, or any substitution, release, impairment or exchange of any other guarantee of or security for any of the Obligations, and, to the fullest extent permitted by Applicable Law, irrespective of any Applicable Law or other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, it being the intent of this Section 2.18 that the obligations of Borrowers hereunder shall be absolute and unconditional under any and all circumstances. Each Borrower agrees that with respect to its obligations under the foregoing clause (a), such Borrower shall have no right of subrogation, indemnity, reimbursement or contribution against the any other Borrower for amounts paid under this Section 2.18 until such time as the Obligations have been paid in full and the Revolver Commitments have expired or terminated. Without limiting the generality of the foregoing, it is agreed that, to the fullest extent permitted by Applicable Law, the occurrence of any one or more of the following shall not alter or impair the liability of any Borrower under the foregoing clause (a), which shall remain absolute and unconditional as described above:

(i) at any time or from time to time, without notice to any Borrower, the time for any performance of or compliance with any of the Obligations shall be extended, or such performance or compliance shall be waived;

(ii) any of the acts mentioned in any of the provisions of any of the Loan Documents, any documentation regarding any Hedging Agreement or any documentation regarding Bank Products, or any other agreement or instrument referred to in such Loan Documents, any documentation regarding any Hedging Agreement or any documentation regarding Bank Products, shall be done or omitted;

(iii) the maturity of any of the Obligations shall be accelerated, or any of the Obligations shall be modified, supplemented or amended in any respect, or any right under any of the Loan Documents, any documentation regarding Hedging Agreements, or any documentation regarding Bank Products, or any other agreement or instrument referred to Loan Documents, any documentation regarding Hedging Transactions or any documentation regarding Bank Products, shall be waived or any other guarantee of any of the Obligations or any security therefor shall be released, impaired or exchanged in whole or in part or otherwise dealt with;

(iv) any Lien granted to, or in favor of, Agent or any Secured Parties as security for any of the Obligations shall fail to attach or be perfected; or

(v) any of the Obligations shall be determined to be void or voidable (including, without limitation, for the benefit of any creditor of any Borrower) or shall be subordinated to the claims of any Person (including, without limitation, any creditor of any Borrower).

With respect to its obligations under the foregoing clause (a), each Borrower hereby expressly waives diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that Agent or any Lender exhaust any right, power or remedy or proceed against any Person under any of the Loan Documents, any documentation regarding Hedging Agreements, or any documentation regarding Bank Products, or any other agreement or instrument referred to Loan Documents, any documentation regarding Hedging Agreements or any documentation regarding Bank Products, or against any other Person under any other guarantee of, or security for, any of the Obligations.

(c) Notwithstanding any provision to the contrary set forth in this Section 2.18 or any other provision of this Agreement, (i) with respect to the Revolver Advances, each Borrower's obligation to repay the principal amount of the Revolver Advances shall not exceed such Borrower's Revolver Sublimit; provided, however, Fred Smith Construction and FSC shall be jointly and severally liable hereunder for the full amount of FSC's Revolver Sublimit, and (ii) with respect to the Term Loan Advances, each Borrower's obligation to repay the principal amount of Term Loan Advances shall not exceed such Borrower's Term Loan Recourse Amount; provided, however, (y) Construction Partners' liability for the principal amount of the Term Loan Advances shall be unlimited, and (z) Fred Smith Construction's and FSC's liability for the principal amount of the Term Loan Advances shall collectively not exceed $24,000,000. For the avoidance of doubt, each Borrower shall, subject to the foregoing limitations, be jointly and severally liable for all Obligations set forth herein and in the Loan Documents as set forth herein.

ARTICLE III
CONDITIONS TO BORROWINGS

SECTION 3.01. Conditions to Closing and First Borrowing. The obligation of each Lender to make its Term Loan Advance or any Revolver Advance on the Closing Date (and the obligation of Issuing Bank to issue a Letter of Credit on the Closing Date) is subject to the satisfaction of the conditions set forth in Section 3.02 and the following additional conditions:

(a) receipt by Agent from each of the parties hereto of a duly executed counterpart of this Agreement signed by such party;

(b) receipt by each Lender, if so requested by it, of a duly executed Revolver Note and Term Loan Note complying with the provisions of Section 2.05;

(c) receipt by Agent of an opinion of Johnston Hinesley Flowers Clenney & Turner, P.C., as counsel to Loan Parties, dated as of the Closing Date (or in the case of an opinion delivered pursuant to Section 5.09 hereof such later date as specified by Agent) in a form satisfactory to Agent and covering such matters relating to the transactions contemplated hereby as Agent may reasonably request;

(d) receipt by Agent of a certificate (the "Closing and Incumbency Certificate"), dated the date of the first Borrowing, substantially in the form of Exhibit C hereto, signed by a chief financial officer or other Responsible Officer of each Loan Party, to the effect that, to his knowledge, on the date of the first Borrowing (i) no Default or Event of Default exists and (ii) the representations and warranties of Loan Parties contained in Article IV are true;

(e) receipt by Agent of all documents which Agent or any Lender may reasonably request relating to the existence of each Loan Party, the authority for and the validity of this Agreement, the Notes and the other Loan Documents, and any other matters relevant hereto, all in form and substance satisfactory to Agent, including a certificate of incumbency of each Loan Party (the "Officer's Certificate") that is signed by the Secretary, an Assistant Secretary, or Responsible Officer of such Loan Party, substantially in the form of Exhibit D hereto, certifying as to the names, true signatures and incumbency of the officer or officers of such Loan Party, authorized to execute and deliver the Loan Documents, and certified copies of the following items: (i) the Loan Party's Organizational Documents; (ii) the Loan Party's Operating Documents; (iii) if applicable, a certificate of the Secretary of State of such Loan Party's State of organization as to the good standing or existence of such Loan Party, and (iv) the Organizational Action, if any, taken by the board of directors of the Loan Party or the members, managers, trustees, partners or other applicable Persons authorizing the Loan Party's execution, delivery and performance of this Agreement, the Notes and the other Loan Documents to which the Loan Party is a party;

(f) receipt by Agent of a Notice of Borrowing for a Term Loan Advance in the amount of the full Term Loan Commitment and a Notice of Borrowing for any Revolver Borrowing to be made on the Closing Date;

(g) the Security Agreement and the other Collateral Documents, each in form and content satisfactory to Agent, shall have been duly executed by the applicable Loan Parties and delivered to Agent and shall be in full force and effect and each document (including each UCC financing statement) required by law or reasonably requested by Agent to be filed, registered or recorded in order to create in favor of Agent for the benefit of Secured Parties, upon filing, recording or possession by Agent, as the case may be, a valid, legal and perfected first priority security interest in and Lien on the Collateral described in the Collateral Documents shall have been delivered to Agent; Borrowers shall also deliver or cause to be delivered the certificates (with undated stock powers executed in blank) for all Equity Interests pledged to Agent for the benefit of Secured Parties pursuant to the Pledge Agreement;

(h) receipt by Agent of the results of a search of the UCC filings (or equivalent filings) made with respect to Loan Parties in the states (or other jurisdictions) in which Loan Parties are organized, the chief executive office of each such Person is located, any offices of such Persons in which records have been kept relating to Collateral described in the Collateral Documents and the other jurisdictions in which UCC filings (or equivalent filings) are to be made pursuant to the preceding paragraph, together with copies of the financing statements (or similar documents) disclosed by such search, and accompanied by evidence satisfactory to Agent that the Liens other than Permitted Lien indicated in any such financing statement (or similar document) have been released or subordinated to the satisfaction of Agent;

(i) [Intentionally Omitted];

(j) Agent and Lenders shall have received and found acceptable all documentation and other information required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act, for each Loan Party;

(k) Borrowers shall have paid all fees required to be paid on the Closing Date, including all fees required hereunder and under Agent's Letter Agreement to be paid as of such date, and shall have reimbursed Agent (or made provision for reimbursement satisfactory to Agent) for all Credit Party Expenses incident to closing the transactions contemplated under the Loan Documents, including the reasonable legal, audit and other document preparation costs incurred by Agent;

(l) Agent shall have received payoff information and other evidence satisfactory to Agent that the Term Loan Advances and any Revolver Advances to be made on the Closing Date, together with any funds provided by Loan Parties, will be sufficient to repay in full the existing Debt of Loan Parties to CIT, Compass Bank, ServisFirst Bank and Capitala and that in connection therewith, such existing Debt is terminated;

(m) Agent and Lenders shall have received and found acceptable (i) two prior years of historical audited consolidated financial statements of Construction Partners and its Subsidiaries, (ii) the most recent interim unaudited consolidated financial statements of Construction Partners and its Subsidiaries prepared in accordance with GAAP (subject to year-end adjustments and footnotes) together with a report setting forth in comparative form the corresponding figures for the corresponding periods of the previous fiscal year and the corresponding figures from the most recent projections for the current

fiscal year and discussing the reasons for any significant variations, (iii) Borrowers' financial and business projections, (iv) evidence of insurance in compliance with the Loan Documents with acceptable loss payable or additional insured endorsements as requested by Agent, and (v) such other financial information of Construction Partners and its Subsidiaries as Agent and the Lenders may reasonably request;

(n) Agent shall have received and found acceptable (i) all consents, approval, authorizations, registrations or filings required to be made or obtained by Borrowers in connection with this Agreement, (ii) evidence that such consents, approvals, authorizations, registrations, filings and orders shall be in full force and effect and all applicable waiting periods have expired, and (iii) evidence that no investigation or inquiry by any Governmental Authority regarding this Agreement, any credit facility set forth in this Agreement, or any transaction being financed with any Advance exists or is ongoing;

(o) [Intentionally Omitted];

(p) Agent shall have received evidence satisfactory to Agent that all Debt of any Loan Party to the Parent (such Debt, collectively, the "Parent Debt"), has been subordinated to the payment of the Obligations in a manner and on terms satisfactory to Lenders;

(q) Since the date of Construction Partners' most recent audited financial statements, there shall not have occurred any change which would have a Material Adverse Effect on the business, assets, liabilities (including contingent liabilities), operations or conditions (financial or otherwise) of Construction Partners and its Subsidiaries taken as a whole. In addition, since May 24, 2017, nothing shall have occurred (and the Lenders shall not have become aware of any facts or conditions not previously known) which Agent determines could reasonably be expected to have a Material Adverse Effect on (a) the ability of Borrowers to perform all of their respective obligations hereunder, (b) the value of any material portion of the Collateral, (c) the validity or enforceability of any of the material terms of the Loan Documents or any material right or remedy of Agent or the Lenders under the Loan Documents;

(r) No action, suit, investigation, litigation or proceeding shall be pending or, to the knowledge of Borrowers, threatened in writing (a) with respect to the Credit Facilities or any documentation executed in connection therewith, or (b) which could reasonably be expected to have a Material Adverse Effect on the business, assets, liabilities (including contingent liabilities), operations or conditions (financial or otherwise) of Construction Partners and its Subsidiaries taken as a whole;

(s) Agent and Lenders shall have received certification as to the financial condition and solvency of Borrowers (on a consolidated basis) from the Chief Financial Officer of Construction Partners;

(t) All legal and regulatory matters pertaining to Borrowers and their Subsidiaries, and Borrowers' and their Subsidiaries' business and operations and relating to the Credit Facilities shall be acceptable to Agent;

(u) Borrowers shall have entered into a Hedging Agreement to effectively fix the interest payable on at least 50% of the Term Loan Commitment and provided evidence thereof satisfactory to Agent; and

(v) Each Credit Party shall have received such other documents or items as such Credit Party or its counsel may reasonably request.

For purposes of determining compliance with the conditions specified in this Section 3.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required hereunder to be consented to or approved by or acceptable or satisfactory to a Lender, unless Agent shall have received written notice from such Lender prior to the proposed Closing Date specifying its objection thereto and provided that such Lender shall have received a copy of any such document requested by it for review prior to the Closing Date.

SECTION 3.02. Conditions to All Borrowings. The obligation of each Lender to make its Term Loan Advance or any Revolver Advance on the occasion of each Borrowing and the obligation of Issuing Bank to issue a Letter of Credit, is subject to the satisfaction of the following conditions:

(a) with respect to any Revolver Advance, receipt by Agent of a Notice of Borrowing as required by Section 2.03;

(b) immediately before and after such Borrowing (or issuance of a Letter of Credit, as the case may be), (i) no Default or Event of Default shall exist and (ii) Borrowers are in compliance with the covenants contained in Articles V and VI;

(c) all representations and warranties of Loan Parties contained in Article IV of this Agreement and the other representations and warranties contained in the Loan Documents are true and correct, on and as of the date of such Borrowing (or issuance of a Letter of Credit, as the case may be);

(d) immediately after such Borrowing (or issuance of a Letter of Credit, as the case may be) (i) the Revolving Credit Exposure of each Lender will not exceed the amount of its Revolver Commitment and (ii) no Overadvance will exist.

Each Borrowing and the issuance of each Letter of Credit hereunder shall be deemed to be a representation and warranty by Loan Parties on the date of such Borrowing or the issuance of such Letter of Credit, as the case may be, as to the truth and accuracy of the facts specified in clauses (b), (c) and (d) of this Section.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES

Each Loan Party represents and warrants that:

SECTION 4.01. Existence and Power. Each Loan Party and each of its Subsidiaries is a corporation, limited liability company or other legal entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, as the case may be, is duly qualified to transact business in every jurisdiction where such qualification is necessary, and has all organizational powers and all governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted and to own or lease and operate the Loan Party Facilities as now owned or leased by it.

SECTION 4.02. Organizational and Governmental Authorization; No Contravention. The execution, delivery and performance by each Loan Party and each of its Subsidiaries of this Agreement, the Collateral Documents and the other Loan Documents to which such Loan Party or Subsidiary is a party (i) are within such Loan Party's or Subsidiary's organizational powers, (ii) have been duly authorized by all necessary Organizational Action, (iii) require no action by or in respect of, or filing with, any Governmental Authority that has not been obtained or made when required, (iv) do not contravene, or constitute a default under, any provision of Applicable Law or regulation or of the

Organizational Documents and Operating Documents of such Loan Party, Subsidiary or of any agreement, judgment, injunction, order, decree or other instrument binding upon such Loan Party or any of its Subsidiaries, and (v) do not result in the creation or imposition of any Lien on any asset of such Loan Party or any of its Subsidiaries (other than Liens in favor of Agent of the benefit of Secured Parties to secure the Obligations).

SECTION 4.03. Binding Effect. This Agreement constitutes a valid and binding agreement of Loan Parties enforceable in accordance with its terms, and each Loan Document, when executed and delivered in accordance with this Agreement, will constitute valid and binding obligations of Loan Parties party to such Loan Document enforceable in accordance with its terms, provided that enforceability hereof and thereof is subject in each case to general principles of equity and to bankruptcy, insolvency and similar laws affecting the enforcement of creditors' rights generally.

SECTION 4.04. Financial Information. (a) The audited consolidated balance sheet of Borrowers as of September 30, 2016, and the related consolidated statements of income, shareholders' equity and cash flows for the Fiscal Year then ended, reported on by PBMares, LLP, copies of which have been delivered to Agent for delivery to each of Lenders, and the unaudited consolidated financial statements of Borrowers for the interim period ended March 31, 2017, copies of which have been delivered to each of Lenders, fairly present, in conformity with GAAP, the consolidated financial position of Borrower and its Consolidated Subsidiaries as of such dates and their consolidated results of operations and cash flows for such periods stated.

(b) Since March 31, 2017, there has been no event, act, condition or occurrence that has had or could reasonably be expected to have a Material Adverse Effect.

SECTION 4.05. Litigation. There is no action, suit or proceeding pending or, to the knowledge of such Loan Party, threatened against or affecting any Loan Parties or any of their respective Subsidiaries before any court, arbitrator or Governmental Authority (a) as to which there is a reasonable possibility of an adverse determination and which could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or (b) which involve this Agreement or any of the transactions contemplated hereby or by any of the other Loan Documents. No Loan Party nor any of its Subsidiaries is in default on the date hereof with respect to any order, writ, injunction, judgment, decree or rule of any court, Governmental Authority or arbitration board or tribunal.

SECTION 4.06. ERISA Compliance. (a) Loan Parties, their Subsidiaries, and each member of the Controlled Group have fulfilled their obligations under the minimum funding standards of ERISA and the Code with respect to each Plan and are in compliance with the applicable provisions of ERISA and the Code, and have not incurred any liability to the PBGC or a Plan under Title IV of ERISA; (b) no Loan Party nor Subsidiary nor any member of the Controlled Group is or ever has been obligated to contribute to any Multiemployer Plan; (c) the assets of each Loan Party or any Subsidiary of such Loan Party do not and will not constitute "plan assets," within the meaning of ERISA, the Code and the respective regulations promulgated thereunder; and (d) the execution, delivery and performance of this Agreement, and the borrowing and repayment of amounts hereunder, do not and will not constitute "prohibited transactions" under ERISA or the Code.

SECTION 4.07. Compliance with Laws and Agreements. Each Loan Party and its Subsidiaries are in compliance with (a) all Applicable Law, including all Environmental Laws and all regulations and requirements of the Securities and Exchange Commission and the National Association of Securities Dealers, Inc. (including with respect to timely filing of reports) and (b) all indentures, agreements and other instruments binding upon such Loan Party or any of its Properties.

SECTION 4.08. Subsidiaries; Joint Ventures. Each Subsidiary of a Loan Party is a corporation, a limited liability company or other legal entity, duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, is duly qualified to transact business in every jurisdiction where such qualification is necessary, and has all organizational powers and all governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted. No Loan Party has any Subsidiaries except those Subsidiaries set forth in any Compliance Certificate provided to Agent and Lenders pursuant to Section 5.01(f) after the Closing Date, which accurately sets forth each such Subsidiary's complete name and jurisdiction of organization. No Loan Party is a general partner in any general or limited partnership or a joint venturer in any joint venture.

SECTION 4.09. Investment Company Status. No Loan Party nor any Subsidiary of a Loan Party is (a) an "investment company," a company "controlled" by an "investment company," or an "investment advisor" within the meaning of the Investment Company Act of 1940, or (ii) a "holding company," a "subsidiary company" of a "holding company," or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company," within the meaning of the public Utility Holding Company Act of 1935, as amended. No Loan Party is subject to regulation under any Requirement of Law that limits its ability to incur Debt or which may otherwise render all or any portion of the obligations hereunder unenforceable.

SECTION 4.10. All Consents Required. All approvals, authorizations, consents, orders or other actions of any Person or of any Governmental Authority (if any) required in connection with the due execution, delivery and performance by Loan Parties or their Subsidiaries of this Agreement and any other Loan Document to which any Loan Party or Subsidiary is a party, have been obtained.

SECTION 4.11. Ownership of Property; Liens. Each Loan Party and its Subsidiaries has title or the contractual right to possess its properties sufficient for the conduct of its business and none of such properties is subject to any Lien except for Permitted Liens.

SECTION 4.12. No Defaults. No Loan Party nor any of its Subsidiaries is in default under or with respect to any agreement, instrument or undertaking to which it is a party or by which it or any of its property is bound, which default could reasonably be expected to have a Material Adverse Effect. No Default or Event of Default has occurred and is continuing.

SECTION 4.13. Environmental Matters. (a) No Loan Party is subject to any Environmental Liability and no Loan Party has been designated as a potentially responsible party under CERCLA. No Loan Party Facility has been identified on any current or proposed (i) National Priorities List under 40 C.F.R. § 300, (ii) CERCLIS list or (iii) any list arising from a state statute similar to CERCLA.

(b) With respect to each Loan Party Facility, no Hazardous Materials have been or are being used, produced, manufactured, processed, treated, recycled, generated, stored, disposed of, managed or otherwise handled at, or shipped or transported to or from such Loan Party Facility or are otherwise present at, on, in or under such Loan Party Facility, or at or from any adjacent site or facility, except for Hazardous Materials (such as cleaning solvents, pesticides and other similar materials) used, produced, manufactured processed, treated, recycled, generated, stored, disposed of, and managed or otherwise handled in the ordinary course of business of Loan Parties in compliance with all applicable Environmental Requirements.

(c) Each Loan Party has procured all Environmental Authorizations necessary for the conduct of the business contemplated at each Loan Party Facility and is in compliance in all material respects with all Environmental Requirements in connection with the operation of each Loan Party Facility and such Loan Party's business.

SECTION 4.14. Equity Interests. As of the date hereof, Schedule 4.14 – Equity Interests attached hereto states the number of authorized and issued Equity Interests (and treasury shares) of each Borrower and its Subsidiaries. Each Borrower has good title to all of the shares its purports to own of the Equity Interests of each of its Subsidiaries free and clear in each case of any Lien. All Equity Interests, debentures, bonds, notes and all other securities of each Loan Party and its Subsidiaries presently issued and outstanding are validly and properly issued in accordance with all Applicable Law, including the "Blue Sky" laws of all applicable state and the federal securities laws and are fully paid and non assessable.

SECTION 4.15. Margin Stock. No Loan Party nor any of its Subsidiaries is engaged principally, or as one of its important activities, in the business of purchasing or carrying any Margin Stock, and no part of the proceeds of any Advance or Letter of Credit has been or will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock, or be used for any purpose which violates, or which is inconsistent with, the provisions of Regulation X of the Board of Governors of the Federal Reserve System.

SECTION 4.16. Solvency. Each Loan Party and each of its Subsidiaries is, and after giving effect to the execution and delivery of the Loan Documents and the making of the Advances and other extensions of credit under this Agreement will be, Solvent.

SECTION 4.17. Collateral Documents. Upon execution by the applicable Loan Parties, each Collateral Document (except the Negative Pledge Agreements) will be effective to create in favor of Agent, for the Pro Rata benefit of Secured Parties, a legal, valid and enforceable Lien upon the Collateral as security for the Obligations, and, upon (a) the filing of one or more UCC financing statements in the appropriate jurisdictions (b) [Intentionally Omitted], (c) delivery to Agent of any certificates evidencing pledged Equity Interests, and (d) delivery to Agent of the original notes and other instruments representing Debt or other obligations owing to any of Loan Parties, Agent shall have a fully perfected first priority Lien on all right, title and interest of the applicable Loan Parties in such Collateral and the proceeds thereof that can be perfected by filing of one or more UCC financing statements and delivery of such notes, other instruments and certificates, in each case prior and superior in any right to any other Person. Upon execution by the applicable holders of the Equity Interest in Construction Partners, the Negative Pledge Agreements will be effective to obligation the parties thereto not to obtain a Lien or otherwise encumber such Equity Interests or other Property described therein. The representations and warranties of Loan Parties contained in each Collateral Document are true and correct.

SECTION 4.18. Labor Matters. There are no strikes, lockouts, slowdowns, work stoppages, any asserted pending demands for collective bargaining by any union or organization, or other labor disputes against any Loan Party or any Subsidiary of any Loan Party pending or, to the knowledge of any Loan Party, threatened. The hours worked by and payment made to employees of each Loan Party and its Subsidiaries have been in compliance with the Fair Labor Standards Act and any other Applicable Law dealing with such matters. All payments due from Loan Parties or any of their respective Subsidiaries, or for which any claim may be made against Loan Parties or any of their respective Subsidiaries, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of the Loan Party or such Subsidiary, as appropriate. Except as set forth on Schedule 4.18 - Labor Matters, no Loan Party nor any Subsidiary of a Loan Party is party to a collective bargaining agreement.

SECTION 4.19. Patents, Trademarks, Etc. Each Loan Party and its Subsidiaries own, or are licensed to use, all Intellectual Property and rights with respect thereto that are material to the businesses, assets, operations, properties or condition (financial or otherwise) of such Loan Party and its Subsidiaries taken as a whole. The use of such Intellectual Property and rights with respect thereto by each Loan Party and its Subsidiaries does not infringe on the rights of any Person.

SECTION 4.20. Insurance. Each Loan Party and its Subsidiaries have (either in the name of such Loan Party or in such Subsidiary's name), with financially sound and reputable insurance companies, insurance in at least such amounts and against at least such risks (including on all its property, and public liability and worker's compensation) as are usually insured against in the same general area by companies of established repute engaged in the same or similar business.

SECTION 4.21. Anti-Terrorism Laws. (a) No Loan Party nor any of its Subsidiaries, is in violation of any laws relating to terrorism or money laundering, including the PATRIOT Act.

(b) No Loan Party nor any of its Subsidiaries is (1) a Person that resides or has a place of business in a country or territory named on such lists or which is designated as a Non-Cooperative Jurisdiction by the Financial Action Task Force on Money Laundering, or whose subscription funds are transferred from or through such a jurisdiction; (2) a "Foreign Shell Bank" within the meaning of the PATRIOT Act, i.e., a foreign lender that does not have a physical presence in any country and that is not affiliated with a Lender that has a physical presence and an acceptable level of regulation and supervision; or (3) a Person that resides in or is organized under the laws of a jurisdiction designated by the United States Secretary of the Treasury under Section 311 or 312 of the PATRIOT Act as warranting special measures due to money laundering concerns.

(c) No Loan Party nor any of its Subsidiaries (i) is a Sanctioned Entity, (ii) has assets located in Sanctioned Entities, (iii) derives any of its operating income from investments in, or transactions with, Sanctioned Entities, (iv) is included on OFAC's List of Specially Designated Nationals or any similar list enforced by any other relevant sanctions authority, or (v) is located, organized or a resident of a Sanctioned Entity. The proceeds of any Advance will not be used and have not been used to fund any operations in, finance any investments or activities in or make any payments to, a Sanctioned Entity. No Loan Party or any Affiliate of a Loan Party are in violation of and shall not violate any of the country or list based economic and trade sanctions administered and enforced by OFAC that are described or referenced at http://www.ustreas.gov/offices/enforcement/ofac or as otherwise published from time to time.

(d) The Loan Parties and their Subsidiaries have conducted their business in compliance with all Anti-Corruption Laws.

SECTION 4.22. Reports Accurate; Disclosure. All information, exhibits, financial statements, documents, books, records or reports furnished or to be furnished by Loan Parties to any Credit Party in connection with this Agreement or any Loan Document, including reports furnished pursuant to Section 4.04, are true, complete and accurate in all material respects. Neither the Loan Documents nor any agreement, document, certificate or statement furnished to Agent or Lenders in connection with the transactions contemplated by the Loan Documents contain any untrue statement of material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made. There is no fact known to any Loan Party which materially and adversely affects any Loan Party or its Subsidiaries or in the future is reasonably likely to have a Material Adverse Effect.

SECTION 4.23. Location of Offices. Construction Partners' "location" (within the meaning of Article 9 of the UCC) is the State of Delaware. Wiregrass Construction's "location" (within the meaning of Article 9 of the UCC) is the State of Alabama. Fred Smith Construction's "location" (within the meaning of Article 9 of the UCC) is the State of North Carolina. FSC's "location" (within the

meaning of Article 9 of the UCC) is the State of North Carolina. Roberts Contracting's "location" (within the meaning of Article 9 of the UCC) is the State of Florida. Everett Dykes' "location" (within the meaning of Article 9 of the UCC) is the State of Georgia. No Loan Party has changed its name, identity, structure, existence or state of formation, whether by amendment of its Organizational Documents, by reorganization or otherwise, or its location (within the meaning of Article 9 of the UCC) within the four months preceding the Closing Date or any subsequent date on which this representation is made.

SECTION 4.24. Affiliate Transactions. Except as permitted by Section 6.18, no Loan Party nor any of its Subsidiaries is a party to or bound by any agreement or arrangement (whether oral or written) to which any Affiliate of any other Loan Party is a party.

SECTION 4.25. Broker's Fees. No broker's or finder's fee, commission or similar compensation will be payable with respect to the transactions contemplated hereby. Except as set forth in Agent's Letter Agreement, no other similar fees or commissions will be payable by any Loan Party for any other services rendered to a Loan Party or any of its Subsidiaries ancillary to the transactions contemplated hereby.

SECTION 4.26. Material Contracts. Schedule 4.26 - Material Contracts is, as of the Closing Date, a true, correct and complete listing of all contracts to which any Borrower is a party, the breach of or failure to perform which, either by such Borrower or other party to such contract, could reasonably be expected to have a Material Adverse Effect (each a "Material Contract"); such Borrower has performed and is in compliance with all of the material terms of such Material Contract; and such Borrower has no knowledge of any default or event of default, or event or condition which with the giving of notice, the lapse of time, or both, would constitute such a default or event of default, that exists with respect to any such Material Contract.

SECTION 4.27. Taxes. There have been filed on behalf of each Loan Party and their Subsidiaries all federal, state and local income, excise, property and other tax returns which are required to be filed by them and all Taxes due pursuant to such returns or pursuant to any assessment received by or on behalf of any Loan Party or any of its Subsidiaries have been paid other than those being contested in good faith and by appropriate proceedings diligently conducted and with respect to which such Person has established adequate reserves in accordance with GAAP. The charges, accruals and reserves on the books of Loan Parties and their respective Subsidiaries in respect of Taxes or other governmental charges are, in the opinion of Loan Parties, adequate. No Loan Party has been given or been requested to give a waiver of the statute of limitation relating to the payment of federal, state, local or foreign Taxes.

SECTION 4.28. Common Enterprise. Loan Parties, while separately organized, operate as an integrated unit and in a collective business enterprise that is interdependent. The successful operation and condition of Loan Parties is dependent on the continued successful performance of the functions of the group of Loan Parties as a whole and the successful operation of each of the Loan Parties is dependent on the successful performance and operation of each other Loan Party. Each Loan Party expects to derive significant benefit (and its board of directors or other governing body has determined that it may reasonably be expected to derive benefit), directly and indirectly, from (i) successful operations of each of the other Loan Parties and (ii) the credit extended by Lenders to Borrowers hereunder, both in their separate capacities and as members of the group of companies. Each Loan Party has determined that execution, delivery, and performance of this Agreement and the other Loan Documents that are to be executed by such Loan Party is within its purpose, will be of direct and indirect benefit to such Loan Party, and is in its best interests.

SECTION 4.29 No Burdensome Restrictions. No Loan Party or any of its Subsidiaries is a party to any written agreement or instrument or subject to any other obligations or any charter or corporate restriction or any provision of any Applicable Law that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

SECTION 4.30. Surety Obligations. Except as set forth on Schedule 4.30 – Surety Obligations, no Borrower nor any of its Subsidiaries is obligated as a surety or indemnitor under any surety or similar bond or other contract issued or entered into or any agreement to assure payment, performance or completion of performance of any undertaking or obligation of any Person.

SECTION 4.31. [Intentionally Omitted.]

SECTION 4.32. Senior Debt Status. The Obligations are (and are hereby designated as) "senior indebtedness" and as "designated senior indebtedness" under and in respect of any indenture or other agreement or instrument under which Subordinated Debt is outstanding and are further given all such other designations as shall be required under the terms of any such Subordinated Debt in order that Credit Parties may have and exercise any payment blockage or other remedies available or potentially available to holders of senior indebtedness under the terms of such Subordinated Debt.

SECTION 4.33. Survival of Representations and Warranties, Etc. All statements contained in any certificate, financial statement or other instrument delivered by or on behalf of any Borrower, any Subsidiary or any other Loan Party to any Credit Party pursuant to or in connection with this Agreement or any of the other Loan Documents (including any such statement made in or in connection with any amendment thereto or any statement contained in any certificate, financial statement or other instrument delivered by or on behalf of Borrower prior to the Closing Date and delivered to any Credit Party in connection with the underwriting or closing of the transactions contemplated hereby) shall constitute representations and warranties made by Loan Parties in favor of Credit Parties under this Agreement. All such representations and warranties shall survive the effectiveness of this Agreement, the execution and delivery of the Loan Documents and the making of the Advances.

ARTICLE V
AFFIRMATIVE COVENANTS

Loan Parties agree, jointly and severally, that, so long as any Lender has any Commitment hereunder or any Obligation to a Credit Party remains unpaid:

SECTION 5.01. Information. Borrowers shall deliver to Agent, who will then deliver to each Lender:

(a) as soon as available and in any event within 120 days after the end of each Fiscal Year, consolidated balance sheets of Construction Partners and its Consolidated Subsidiaries as of the end of such Fiscal Year and the related consolidated statements of income, shareholders' equity and cash flows for such Fiscal Year, all audited by RSM US, LLP, or other independent public accountants reasonably acceptable to Agent, with such certification to be free of exceptions and qualifications not acceptable to the Required Lenders;

(b) as soon as available and in any event within 45 days after the end of each Fiscal Quarter, consolidated balance sheets of Construction Partners and its Consolidated Subsidiaries as of the end of such Fiscal Quarter and the related consolidated statements of income and statement of cash flows for such Fiscal Quarter and for the portion of the Fiscal Year ended at the end of such Fiscal Quarter, which commencing with the Fiscal Quarter ending June 30, 2017, all certified (subject to normal year-end adjustments) as to fairness of presentation, GAAP and consistency by the chief financial officer of Borrowers;

(c) as soon as available and in any event not later than 45 days after the end of each Fiscal Year, annual Borrower-prepared projections of Borrowers for the next Fiscal Year, in form satisfactory to Agent and which shall include income statements, balance sheets, and cash flow statements;

(d) simultaneously with the delivery of each set of financial statements referred to in clauses (b) above, a certificate, substantially in the form of Exhibit E and with compliance calculations in form and content satisfactory to Agent (a "Compliance Certificate"), of the chief financial officer or other Responsible Officer of Borrowers (i) setting forth in reasonable detail the calculations required to establish whether Loan Parties were in compliance with the requirements of Sections 5.04, 6.01 and 6.21 on the date of such financial statements, (ii) setting forth the identities of the respective Subsidiaries on the date of such financial statements, and (iii) stating whether any Default or Event of Default exists on the date of such certificate and, if any Default or Event of Default then exists, setting forth the details thereof and the action which Loan Parties are taking or propose to take with respect thereto;

(e) simultaneously with the delivery of each set of annual financial statements referred to in paragraph (a) above, a statement of the firm of independent public accountants which reported on such statements to the effect that nothing has come to their attention to cause them to believe that any Default or Event of Default existed on the date of such financial statements;

(f) within 5 Business Days after a Loan Party becomes aware of the occurrence of any Default or Event of Default, a certificate of the chief financial officer or other Responsible Officers of Borrowers setting forth the details thereof and the action that Borrowers are taking or propose to take with respect thereto;

(g) if and when a Loan Party or any member of the Controlled Group (i) gives or is required to give notice to the PBGC of any "reportable event" (as defined in Section 4043 of ERISA) with respect to any Plan which might constitute grounds for a termination of such Plan under Title IV of ERISA, or knows that the plan administrator of any Plan has given or is required to give notice of any such reportable event, a copy of the notice of such reportable event given or required to be given to the PBGC; (ii) receives notice of complete or partial withdrawal liability under Title IV of ERISA, a copy of such notice; or (iii) receives notice from the PBGC under Title IV of ERISA of an intent to terminate or appoint a trustee to administer any Plan, a copy of such notice;

(h) promptly after a Loan Party knows of the commencement thereof, notice of any litigation, dispute or proceeding (and any material development in respect of such proceedings) involving a claim against a Loan Party or any of its Subsidiaries for $500,000 or more in excess of amounts covered in full by applicable insurance;

(i) [Intentionally Omitted.]

(j) prompt written notice of a material weakness in, or fraud that involves, management of a Borrower, if such fraud has (or could be reasonably expected to have) a material effect on such Borrower's internal controls over republic reporting and if such occurrence is required to be publicly disclosed;

(k) prompt written notice of all Environmental Liabilities, pending, threatened or anticipated Environmental Proceedings, Environmental Notices, Environmental Judgments and Orders, and Environmental Releases at, on, in, under or in any way affecting in any material respects a Loan Party Facility or any adjacent property, and all facts, events, or conditions that could lead to any of the foregoing;

(l) prompt written notice of any event or condition that could reasonably be expected to have a Material Adverse Effect;

(m) prompt written notice of any material change in any Loan Party's financial reporting or accounting practices; and

(n) from time to time such additional information regarding the financial position or business of each Loan Party and its Subsidiaries as Agent or any other Credit Party may request.

SECTION 5.02. Inspection and Appraisal of Property; Books and Records. Each Borrower shall (a) keep, and shall cause each of its Subsidiaries to keep, proper books of record and account in which full, true and correct entries in conformity with GAAP shall be made of all dealings and transactions in relation to its business and activities; (b) permit, and shall cause each of its Subsidiaries to permit, with reasonable prior notice (which notice shall not be required in the case of an emergency), Agent or its designee, at the expense of Loan Parties, to perform investigations of Loan Parties and the Collateral, from time to time; and (c) permit, and shall cause each of its Subsidiaries to permit, representatives of any Lender at such Lender's expense prior to the occurrence of an Event of Default and at Borrowers' expense after the occurrence of an Event of Default to visit and inspect any of their respective Properties, to examine and make abstracts from any of their respective books and records and to discuss their respective affairs, finances and accounts with their respective officers, employees and independent public accountants. Loan Parties agree to cooperate and assist in such visits and inspections, in each case at such reasonable times and as often as may reasonably be desired.

SECTION 5.03. Maintenance of Existence, etc. Each Loan Party shall, and shall cause each of its Subsidiaries to, maintain its organizational existence and carry on its business in substantially the same manner and in substantially the same line or lines of business or line or lines of business reasonably related to the business now carried on and maintained.

SECTION 5.04. Use of Proceeds. Except as otherwise provided herein, the proceeds of Advances and Letters of Credit shall be used solely (a) to refinance existing debt of any Borrower, (b) for a Borrower's working capital and other lawful corporate purposes to the extent not prohibited by any Loan Document, (c) Expenditures permitted by this Agreement, and (d) to pay the Obligations. Loan Parties agree that all proceeds of Advances shall be applied as described in the Loan Documents and used by Borrower for whose benefit is reflected in the Notice of Borrowing. No part of the proceeds of any Advance or Letter of Credit will be used, directly or indirectly, for any purpose that would result in a violation of any rule or regulation of the Board of Governors of the Federal Reserve System, including Regulations T, U and X, Patriot Act or any regulation of OFAC.

SECTION 5.05. Compliance with Laws and Material Agreements; Payment of Taxes. (a) Each Loan Party shall, and shall cause each of its Subsidiaries and each member of the Controlled Group to, comply in all material respects with all Applicable Law (including ERISA, Anti-Corruption Laws, and the PATRIOT Act), regulations and similar requirements of Governmental Authorities (including the PBGC), except where the necessity of such compliance is being contested in good faith through appropriate proceedings diligently pursued.

(b) Each Loan Party shall, and shall cause each of its Subsidiaries to, comply with all terms and conditions of all Material Contracts to which it is a party.

(c) Each Loan Party shall, and shall cause each of its Subsidiaries to, pay promptly when due all Taxes, governmental charges, claims for labor, supplies, rent and other obligations which, if unpaid, might become a Lien against the Property of a Loan Party or any of its Subsidiaries, except liabilities being contested in good faith by appropriate proceedings diligently pursued and against which, if requested by Agent, Borrower shall have set up reserves in accordance with GAAP.

SECTION 5.06. Insurance. Each Loan Party shall, and shall cause each of its Subsidiaries to, maintain (either in the name of such Loan Party or in a Subsidiary's name), with financially sound and reputable insurance companies, insurance on all of its Properties in at least such amounts and against at least such risks as are usually insured against in the same general area by companies of established repute engaged in the same or similar business. Upon request, Loan Parties shall promptly furnish Agent copies of all such insurance policies or certificates evidencing such insurance and such other documents and evidence of insurance as Agent shall request.

SECTION 5.07. Maintenance of Property. Each Loan Party shall, and shall cause each of its Subsidiaries to, maintain all of its Properties in good condition, repair and working order, ordinary wear and tear excepted.

SECTION 5.08. Environmental Release. Each Loan Party shall, upon the occurrence of an Environmental Release at, under or on any Loan Party Facility, act immediately to investigate the extent of, and shall take appropriate remedial action to eliminate, such Environmental Release, whether or not ordered or otherwise directed to do so by any Environmental Authority.

SECTION 5.09. Joinder of Subsidiaries. (a) Loan Parties shall cause any Person that becomes a Domestic Subsidiary of a Loan Party after the Closing Date to (i) become a party to, and agree to be bound by the terms of, this Agreement and the other Loan Documents pursuant to a Joinder Agreement, in the form attached hereto as Exhibit H and otherwise satisfactory to Agent in all respects and executed and delivered to Agent within 10 Business Days after the day on which such Person became a Domestic Subsidiary, and (ii) create for the benefit of Agent, a valid, perfected, first priority Lien on all of the assets of such additional Subsidiary pursuant to a security agreement satisfactory to Agent in all respects. Loan Parties shall also cause the items specified in Section 3.01(c), (d), (e), and (j) to be delivered to Agent concurrently with the instrument referred to above, modified appropriately to refer to such instrument and such Domestic Subsidiary, as well as such other documents as Agent may reasonably request.

(b) Loan Parties shall, and shall cause any applicable Subsidiary (a "Pledgor Subsidiary") to, pledge (a) the lesser of 65% or the entire interest owned by Loan Parties or such Pledgor Subsidiary, as applicable, of the Equity Interests in any Person that becomes a Foreign Subsidiary after the Closing Date; and (b) the entire interest owned by Loan Parties or such Pledgor Subsidiary, as applicable, of the Equity Interests in any Person that becomes a Domestic Subsidiary after the Closing Date, in each case pursuant to a Pledge Agreement executed and delivered by Loan Parties or such Pledgor Subsidiary, as applicable, to Agent for the Pro Rata benefit of Secured Parties within 10 Business Days after the day on which such Person became a Subsidiary and shall deliver to Agent any certificates evidencing such Equity Interests together with stock powers executed in blank. Loan Parties shall also cause the items specified in Section 3.01(c), (d), (e), (g), (h), (j) and (m) to be delivered to Agent concurrently with the Pledge Agreement referred to above, modified appropriately to refer to such Pledge Agreement, the pledgor and such Subsidiary.

(c) Once any Subsidiary becomes a party to this Agreement in accordance withSection 5.09(a) or any Equity Interests of a Subsidiary are pledged to Agent in accordance with Section 5.09(b), such Subsidiary thereafter shall remain a party to this Agreement and the Equity Interests in such Subsidiary (including all Equity Interests Subsidiaries) shall remain subject to the pledge to Agent, as the case may be, even if such Subsidiary ceases to be a Subsidiary; provided, however, that if a Subsidiary ceases to be a Subsidiary of a Loan Party as a result of such Loan Party's transfer or sale of

100% of the Equity Interests of such Subsidiary in accordance with and to the extent permitted by the terms of Section 6.11 and no Default or Event of Default then exists, Credit Parties agree to release such Subsidiary from this Agreement and release the Equity Interests of such Subsidiary from the Pledge Agreement.

SECTION 5.10. Performance of Loan Documents. Each Loan Party shall at its own expense duly fulfill and comply with all covenants and other obligations on its part to be fulfilled or complied with set forth herein or in any other Loan Documents or under or in connection with the Collateral and all documents related thereto and will do nothing to impair the rights of Agent or any other Secured Party with respect to the Collateral.

SECTION 5.11. [Intentionally Omitted.]

SECTION 5.12. Administration of Accounts and Inventory. (a) Each Loan Party shall keep accurate and complete records of its Accounts, including all payments and collections thereon, and shall submit to Agent sales, collection, reconciliation and other reports in form satisfactory to Agent, on such periodic basis as Agent may reasonably request. Each Borrower shall also provide to Agent, upon Agent's request, a detailed aged trial balance of all Accounts as of the end of the preceding month, specifying each Account's Account Debtor name and address, amount, invoice date and due date, showing any discount, allowance, credit, authorized return or dispute, and including such proof of delivery, copies of invoices and invoice registers, copies of related documents, repayment histories, status reports and other information as Agent may request.

(b) If an Account of any Loan Party includes a charge for any Taxes, Agent is authorized, in its discretion, to pay the amount thereof to the proper taxing authority for the account of such Loan Party if such Loan Party does not timely do so and to charge Borrowers therefor; provided, however, that no Credit Party shall be liable for any Taxes that may be due from any Loan Party or with respect to any Collateral.

(c) Whether or not a Default or an Event of Default exists, Agent shall have the right at any time, in the name of Agent, any designee of Agent or any Loan Party, to verify the validity, amount or any other matter relating to any Account of a Loan Party by mail, telephone or otherwise; and Loan Parties shall fully cooperate with Agent in an effort to facilitate and promptly conclude any such verification process.

SECTION 5.13. Cash Management. Loan Parties shall establish and maintain their primary depository accounts with Agent or an Affiliate of Agent.

SECTION 5.14. Further Assurances. Promptly upon the request of Agent, the Loan Parties shall (a) correct any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgment, filing or recordation thereof; and (b) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, conveyances, pledge agreements, mortgages, deeds of trust, trust deeds, assignments, financing statements and continuations thereof, termination statements, notices of assignments, transfers, certificates, assurances and other instruments as Agent may reasonably require from time to time in order to (i) carry out more effectively the purposes of the Loan Documents, (ii) to the fullest extent permitted by applicable law, subject any Loan Party's or any of its Subsidiaries' properties, assets, rights or interests to the Liens now or hereafter intended to be covered by any of the Collateral Documents, (iii) perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and any of the Liens intended to be created thereunder, and (iv) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto Agent for the benefit of the Lenders, the rights granted or now or hereafter intended to be granted to Agent for the benefit of Lenders under any Loan Document or under any other instruments executed in connection with any Loan Document to which any Loan Party is or is to be party.

ARTICLE VI
NEGATIVE AND FINANCIAL COVENANTS

Loan Parties agree, jointly and severally, that, so long as any Lender has any Commitment hereunder or any Obligation to a Credit Party remains unpaid:

SECTION 6.01. Sale/Leasebacks. Loan Parties shall not, nor shall they permit any Subsidiary to, enter into any Sale/Leaseback Transaction.

SECTION 6.02. Acquisitions. No Loan Party nor any of its Subsidiaries shall make any Acquisition, or take any action to solicit the tender of Equity Interests or proxies in respect thereof in order to effect any Acquisition, unless (a) the board of directors or comparable governing body of the Person to be (or whose assets are to be) acquired has approved such Acquisition and the line or lines of business of the Person to be acquired are substantially the same as or reasonably related to one or more line or lines of business conducted by Borrowers, (b) no Default or Event of Default shall exist either immediately prior to or immediately after giving effect to such Acquisition and Borrowers shall have furnished to Credit Parties sufficient information for Credit Parties to determine that no Default or Event of Default would, on a pro forma basis, be likely to occur after giving effect thereto, and (iii) Borrowers' liquidity (including Cash, Cash Equivalents and Availability) shall be equal to or greater than $5,000,000 immediately prior to and immediately after giving effect to such Acquisition, (c) the Person acquired shall be a Subsidiary, or be merged into a Loan Party or a Wholly Owned Subsidiary, immediately upon consummation of the Acquisition (or if assets are being acquired, the acquirer shall be a Loan Party or a Subsidiary of a Loan Party), (d) except in the case of investments per Section 6.05, the Person acquired shall become a party to, and agree to be bound by the terms of, this Agreement and the other Loan Documents as a "Borrower" hereunder pursuant to a Joinder Agreement, in the form attached hereto as Exhibit H and otherwise satisfactory to Agent in all respects and executed and delivered to Agent within 10 Business Days after the day on which such Acquisition or a Borrower shall acquire substantially all of the assets subject to such Acquisitions, and (e) such Acquisition is consummated on a non-hostile basis. Notwithstanding anything in this Section 6.02 to the contrary, Borrowers are permitted to enter into agreements governing such Acquisitions (but not consummate such Acquisitions) without any notice to Agent.

SECTION 6.03. Loans or Advances. No Loan Party nor any of its Subsidiaries shall make loans or advances to any Person except (a) employee loans or advances that do not exceed $500,000 in the aggregate at any one time outstanding and are made in the ordinary course of business consistent with practices existing on the Closing Date; (b) deposits required by Governmental Authorities or public utilities; (c) loans or advances made between or among Loan Parties in the ordinary course of business or pursuant to the Roberts Stock Purchase, provided that, if and to the extent requested by Agent in writing, all such loans or advances shall be (i) evidenced by promissory notes, (ii) subject to Agent's first priority Lien pursuant to the Security Agreement, and (iii) unsecured and subordinated in right of payment to the Full Payment of the Obligations pursuant to the terms of the applicable promissory notes or an intercompany subordination agreement which, in either such case, is satisfactory to Agent (loans or advances meeting the requirements of this clause (c) being referred to herein as "Ordinary Course Intercompany Loans"); (d) loans or advances outstanding on the Closing Date and set forth on Schedule 6.03 - Loans and Advances; and (e) loans or advances not otherwise permitted by this Section 6.03, which do not exceed $500,000 in the aggregate outstanding; provided, however, that after giving effect to the making of any loans, advances or deposits permitted by clauses (a), (b), (c), (d) or (e) of this Section, no Default or Event of Default shall have occurred and be continuing.

SECTION 6.04. Restricted Payments. No Loan Party will, nor will it permit any Subsidiary to, declare or make any Restricted Payment or incur any obligation (contingent or otherwise) to do so unless (a) at the time when any such Restricted Payment is to be made, no Default or Event of Default exists or would result therefrom and (b) after giving effect to the making of such Restricted Payment, Borrowers would be in compliance with the requirements of Section 6.21, on a pro forma basis, determined as of the last day of the last Fiscal Quarter of Borrowers for which Borrowers have provided financial statements and the corresponding Compliance Certificate to Agent and Lenders as if such Restricted Payment had been paid during such Fiscal Quarter, the chief executive officer or other Responsible Officer of Borrowers shall have certified to Agent and Lenders as to compliance with the preceding clause (b) in a certificate attaching calculations; provided, however, (i) a Subsidiary of a Loan Party may declare and pay dividends ratably with respect to such Subsidiary's Equity Interests, (ii) Borrowers may make Restricted Payments, not exceeding $2,000,000 during any Fiscal Year pursuant to and in accordance with stock option plans or other benefit plans for management or employees of Borrowers; and (iii) so long as there exists no Default or Event of Default, Borrowers may pay dividends or make distributions to its shareholders or members, as applicable, in an aggregate amount not greater than the amount necessary for such shareholders or members to pay their actual state and United States federal income tax liabilities in respect of income earned by Loan Parties after deducting any unused prior losses; and (iv) Borrowers may pay management fees pursuant to the management services agreement dated as of October 1, 2006, between Borrowers and SunTX Capital Management Corp (the "Management Services Agreement") as long as no Default or Event of Default exists or would result therefrom and Borrowers have Availability of at least $10,000,000 after giving effect to such payment.

SECTION 6.05. Investments. No Loan Party nor any of its Subsidiaries shall make Investments in any Person except as permitted bySections 6.02 and 6.03(a) through (e) and except Investments in (a) Cash and Cash Equivalents, (b) Investments existing on the Closing Date and set forth onSchedule 6.05 - Investments, (c) any investment in securities on account of the Roberts Stock Purchase; and (d) Investments not otherwise permitted under this Section 6.05, made in the ordinary course of business and consistently with practices existing on the Closing Date, which when aggregated with the aggregate outstanding loans and advances made under Section 6.03(e) do not exceed $2,000,000 and at the time when any such Investment is to be made, no Default or Event of Default exists.

SECTION 6.06. Additional Debt. No Loan Party nor any of its Subsidiaries shall directly or indirectly issue, assume, create, incur or suffer to exist any Debt or the equivalent (including obligations under Capital Leases), except for (a) the Obligations and other Debt owed to Lenders (or any applicable Affiliates thereof) under the Loan Documents; (b) Debt incurred between or among Loan Parties in the ordinary course of business, provided that if and to the extent requested by Agent in writing all such Debt shall be (i) evidenced by promissory notes and all such notes, (ii) subject to a first priority Lien pursuant to the Security Agreement, and (iii) unsecured and subordinated in right of payment to the Full Payment of the Obligations pursuant to the terms of the applicable promissory notes or an intercompany subordination agreement which, in either such case, is reasonably satisfactory to Agent (Debt meeting the requirements of this clause (b) being referred to herein as "Ordinary Course Intercompany Debt"); (c) the Debt existing and outstanding on the Closing Date described on Schedule 6.06 - Debt; (d) Up to $20,000,000 (or any higher amount approved by Lenders) Debt incurred to finance an Acquisition that Credit Parties choose not to finance and that is otherwise permitted under this Agreement; and (e) Debt not otherwise permitted by this Section 6.06, the aggregate outstanding principal amount of which shall not, at any time, exceed $2,000,000.

SECTION 6.07. Permitted Liens. No Loan Party nor any of its Subsidiaries shall create, assume or suffer to exist any Lien on any Property now owned or hereafter acquired by it, except:

(a) Liens existing on the date of this Agreement that encumber Property and that secure Debt outstanding on the date of this Agreement, in each case as described and in the principal amounts set forth on Schedule 6.07 - Liens;

(b) Liens for Taxes or similar charges that are incurred in the ordinary course of business and that are not yet due and payable or are being properly contested in good faith pursuant to appropriate proceedings promptly commenced and diligently pursued;

(c) Pledges or deposits made in the ordinary course of business to secure payment of workers' compensation (or to participate in any fund in connection with workers' compensation), unemployment insurance, old-age pensions or other social security programs which in no event shall become a Lien prior to any Collateral Documents;

(d) Liens of mechanics, materialmen, warehousemen, carriers or other like Liens, securing obligations incurred in the ordinary course of business that (i) are not yet due and payable and which in no event shall become a Lien prior to any Collateral Documents or (ii) are being diligently contested in good faith pursuant to appropriate proceedings and with respect to which the Loan Party has established reserves reasonably satisfactory to Agent and which in no event shall become a Lien prior to any Collateral Documents;

(e) good faith pledges or deposits made in the ordinary course of business to secure performance of bids, tenders, contracts (other than for the repayment of borrowed money) or leases, not in excess of 10% of the aggregate amount due or to become due thereunder, or to secure statutory obligations, or surety, appeal, indemnity, performance or other similar bonds required in the ordinary course of business which in no event shall become a Lien prior to any Collateral Documents;

(f) any Lien arising out of the refinancing, extension, renewal or refunding of any Debt secured by any Lien permitted by any of the foregoing clauses of this Section, provided that (i) such Debt is not secured by any additional assets and (ii) the amount of such Debt secured by any such Lien is not increased;

(g) encumbrances consisting of zoning restrictions, easements or other restrictions on the use of real estate, none of which materially impairs the use of such Property by Borrower in the operation of its business, and none of which is violated in any material respect by existing or proposed restrictions on land use;

(h) Liens on Margin Stock;

(i) any Lien imposed as a result of a taking under the exercise of the power of eminent domain by any Governmental Authority or by any Person acting under Governmental Authority;

(j) Liens securing reasonable and customary fees of banks and other depository institutions on Cash and Cash Equivalents held on deposit with such banks and institutions, provided that such Liens are subordinated to the Liens described in Section 6.07(k);

(k) Liens granted to or created in favor of one or more Secured Parties under any of the Loan Documents;

(l) Liens securing Debt permitted by Section 6.06(d), provided that (i) such Liens do not at any time encumber any Property other than Property financed by such Debt, (ii) the Debt secured thereby does not exceed the cost or fair market value, whichever is lower, of the Property being acquired on the date of acquisition, and (iii) such Liens attach to such Property concurrently with or within 90 days after the acquisition thereof; and

Notwithstanding anything contained in this Section 6.07 to the contrary, no Loan Party nor any Subsidiary of a Loan Party shall create, assume or suffer to exist any Lien on the Collateral except the Liens in favor of Agent for the benefit of Secured Parties under the Collateral Documents and the Permitted Liens (other than Permitted Lien described in clause (a) above).

SECTION 6.08. Dissolution. No Loan Party nor any of its Subsidiaries shall suffer or permit dissolution or liquidation either in whole or in part or redeem or retire any of its own Equity Interests or that of any Subsidiary of a Loan Party, except (i) through corporate or company reorganization to the extent permitted by Section 6.09 and (ii) Restricted Payments permitted by Section 6.04.

SECTION 6.09. Consolidations, Mergers, Asset Sales. No Loan Party shall, nor shall it permit any of its Subsidiaries to, consolidate or merge with or into, or sell, lease or otherwise transfer all or any substantial part of its Properties to, any Person, or discontinue or eliminate any business line or segment; provided that (a) pursuant to the consummation of an Acquisition permitted by Section 6.02 (but not otherwise) a Loan Party may merge with another Person if (i) such Person was organized under the laws of the United States of America or one of its states, (ii) the Loan Party is the Person surviving such merger, (iii) immediately after giving effect to such merger, no Default or Event of Default shall exist, and (iv) if a Borrower merges with another Loan Party, Borrower is the Person surviving such merger; (b) Subsidiaries of a Loan Party (excluding Loan Parties) may merge with one another; (c) the parent of Construction Partners may merge into Construction Partners in preparation for and/or in connection with an Approved IPO, and (d) the foregoing limitation on the sale, lease or other transfer of assets and on the discontinuation or elimination of a business line or segment shall not prohibit a transfer of assets or the discontinuance or elimination of a business line or segment (in a single transaction or in a series of related transactions) unless the aggregate value of the assets to be so transferred, together with all other assets utilized in all other business lines or segments discontinued after the Closing Date, total more than $2,000,000 in the aggregate.

SECTION 6.10. Operating Leases. No Loan Party shall, nor shall it permit any of its Subsidiaries to create, assume or suffer to exist any operating lease except operating leases which (a) (i) are entered into in the ordinary course of business, and (ii) the aggregate indebtedness, liabilities and obligations of Loan Parties under all such operating leases during any period of four consecutive Fiscal Quarters shall at no time exceed $20,000,000; (b) are between a Loan Party, as landlord, and a Loan Party as tenant; or (c) are set forth on Schedule 6.10 - Operating Leases.

SECTION 6.11. Hedge Transactions. No Loan Party shall, nor shall it permit any of its Subsidiaries to, enter into any Hedge Transaction, other than Hedge Transactions entered into in the ordinary course of business to hedge or mitigate interest rate risks, commodity price risks or other risks to which Loan Parties are exposed in the conduct of their business or the management of their liabilities, and not for speculative purposes.

SECTION 6.12. No Restrictive Agreement. No Loan Party shall, nor shall it permit any of its Subsidiaries to, enter into, after the date of this Agreement, any indenture, agreement, instrument or other arrangement that, directly or indirectly, prohibits or restrains, or has the effect of prohibiting or restraining, or imposes materially adverse conditions upon, any of the following by the Loan Party or any such Subsidiary: the incurrence or payment of Debt, the granting of Liens, the declaration or payment of Restricted Payments or other distributions in respect of Equity Interests of the Loan Party or any Subsidiary, the making of loans, advances or Investments or the sale, assignment, transfer or other disposition of Property, real, personal or mixed, tangible.

SECTION 6.13. Partnerships and Joint Ventures. No Loan Party shall become a general partner in any general or limited partnership or a joint venturer in any joint venture; provided, however, that the Loan Parties may, in the aggregate, participate in joint ventures on individual contracts not exceeding $30,000,000 in price individually or $50,000,000 in price in the aggregate at any one time outstanding, and in joint ventures for construction contracts in the ordinary course of business requiring a surety bond in any amount that is bonded by a surety company. Notwithstanding the foregoing, at the written request of a Loan Party, and with the prior written approval of Agent and the Required Lenders in their discretion, any such transaction may be excluded from the foregoing requirements of this Section 6.13.

SECTION 6.14. Payment Restrictions Affecting Subsidiaries. No Loan Party shall, directly or indirectly, enter into or suffer to exist, or permit any of its Subsidiaries to enter into or suffer to exist, any agreement limiting the ability of any Subsidiary to declare or pay dividends or other distributions in respect of its Equity Interests or repay or prepay any Debt owed to, make loans or advances to, or otherwise transfer assets to or make investments in, any Loan Party or any Subsidiary of a Loan Party (whether through a covenant restricting dividends, loans, asset transfers or investments, a financial covenant or otherwise), except (a) as provided in this Agreement, (b) any agreement in effect at the time a Person first became a Subsidiary of a Loan Party, so long as such agreement was not entered into in contemplation of such Person becoming a Subsidiary of a Loan Party, (c) by reason of customary provisions restricting assignments, licenses, subletting or other transfers contained in leases, licenses, joint venture agreements, purchase and sale or merger agreements and other similar agreements entered into in the ordinary course of business so long as such restrictions do not extend to assets other than those that are the subject of such lease, license or other agreement, (d) any securitization transactions to the extent set forth in the documents evidencing such transactions so long as such restrictions do not extend to assets other than those that are the subject of such transactions, or (e) any agreement that amends, extends, refinances, renews or replaces any agreement described in the foregoing clauses so long as the terms and conditions of any such agreement are not materially less favorable to the Loan Parties or Credit Parties with respect to such dividend and payment restrictions than those under or pursuant to the agreement that is amended, extended, refinanced, renewed or replaced.

SECTION 6.15. Modifications of Organizational Documents. No Loan Party shall, nor shall it permit any of its Subsidiaries to, amend, supplement, restate or otherwise modify its Organizational Documents or Operating Documents or other applicable document without the consent of Agent, which consent shall not be unreasonably withheld; provided, however, that (i) Construction Partners may do so in connection with an Approved IPO or subsequent issuance of Equity Interests, subject to the approval of the Agent, not to be unreasonably withheld.

SECTION 6.16. ERISA Exemptions. No Loan Party shall, nor shall it permit any of its Subsidiaries to, become a party to a Multiemployer Plan or permit any of their respective assets to become or be deemed to be "plan assets" within the meaning of ERISA, the Code and the respective regulations promulgated thereunder.

SECTION 6.17. Additional Covenants, Etc. If any Loan Party shall enter into any agreement, guarantee, indenture or other instrument governing, relating to, providing for commitments to advance or guaranteeing any Financing or to amend any terms and conditions applicable to any Financing, which agreement, guarantee, indenture or other instrument includes covenants, warranties, representations, defaults or events of default (or any other type of restriction which would have the practical effect of any of the foregoing, including, any "put" or mandatory prepayment of such debt) or other terms or conditions not substantially as, or in addition to those provided in this Agreement or any other Loan Document, or more favorable to the lender or other counterparty thereunder than those provided in any of the Loan Documents, such Loan Party shall promptly so notify Agent. Thereupon, if

Agent shall request by written notice to the Loan Party (after a determination has been made by the Required Lenders that any of the above referenced documents or instruments contain any provisions which either individually or in the aggregate are more favorable than any one or more of the provisions set forth herein), Loan Parties, Agent and Lenders shall enter into an amendment to this Agreement and any other Loan Document designated by Agent to provide for substantially the same such covenants, warranties, representations, defaults or events of default or other terms or conditions as those provided for in such agreement, guarantee, indenture or other instrument, to the extent required and as may be selected by Agent, such amendment to remain in effect, unless otherwise specified in writing by Agent, for the entire duration of the term of such Financing (to and including the date to which the same may be extended at the option of the Loan Party); provided, however, that if any such agreement, guarantee, indenture or other instrument shall be subsequently modified, supplemented, amended or restated so as to modify, amend or eliminate from such agreement, guarantee, indenture or other instrument any such covenant, warranty, representation, default or event of default or other term or condition so made a part of this Agreement, then unless otherwise required by Agent pursuant to this Section, the Loan Documents shall be modified so as to conform the provisions previously incorporated pursuant to this Section 6.17 to such provisions as subsequently modified, supplemented or amended. Nothing herein and no action of the parties in entering into an amendment pursuant hereto shall be deemed as a waiver of any Default or Event of Default resulting from a Loan Party's entering into any agreement in violation of the provisions of any Loan Document. As used herein, the term "Financing" means (a) any transaction or series of transactions for the incurrence by a Loan Party of any Debt or for the establishment of a commitment to make advances that would constitute Debt of a Loan Party and not by its terms subordinate and junior to other Debt of a Loan Party, (b) an obligation incurred in a transaction or series of transactions in which assets of a Loan Party are sold and leased back, or (c) a sale of Accounts or other receivables or any interest therein.

SECTION 6.18. Transactions with Affiliates. No Loan Party shall, nor shall it permit any of its Subsidiaries to, enter into, or be a party to, any transaction with any Affiliate of a Loan Party or such Subsidiary (which Affiliate is not a Loan Party or a Subsidiary of a Loan Party), except (a) the Roberts Stock Purchase, (b) the Management Services Agreement, (c) Ordinary Course Intercompany Loans and Ordinary Course Intercompany Debt, and (d) as permitted by law and in the ordinary course of business and pursuant to reasonable terms which are no less favorable to the Loan Party or such Subsidiary than would be obtained in a comparable arm's length transaction with a Person which is not an Affiliate.

SECTION 6.19. Environmental Matters. No Loan Party shall, nor shall it permit any of its Subsidiaries or any other Person to, use, produce, manufacture, process, treat, recycle, generate, store, dispose of, manage at, or otherwise handle or ship or transport to or from any Loan Party Facility any Hazardous Materials, except for Hazardous Materials (such as cleaning solvents, pesticides and other similar materials) used, produced, manufactured, processed, treated, recycled, generated, stored, disposed, managed or otherwise handled in the ordinary course of business in compliance with all applicable Environmental Requirements.

SECTION 6.20. Change in Accounting Practices or Fiscal Year. No Loan Party shall make any change in accounting treatment or reporting practices, except as required or permitted by GAAP, or change its Fiscal Year (except to conform with the Fiscal Year of Borrowers) without the consent of Agent and the Required Lenders.

SECTION 6.21. Financial Covenants.

(a) Fixed Charge Coverage Ratio. As of the end of each Fiscal Quarter, commencing with the Fiscal Quarter ending June 30, 2017, the Fixed Charge Coverage Ratio shall not be less than 1.20 to 1.00.

(b) Consolidated Leverage Ratio. The Consolidated Leverage Ratio at any time shall not be greater than 2:00 to 1.00; provided, however, in the event an Acquisition in an amount equal to or greater than $10,000,000 is permitted under Section 6.02 and the pro forma Consolidated Leverage Ratio is equal to or greater than 1.75 to 1.00, but equal to or less than 2.00 to 1.00 for the Fiscal Quarter in which the Acquisition occurred, the Consolidated Leverage Ratio required under this Section 6.21(b) shall be revised to 2.25 to 1.00 for the next two Fiscal Quarters, thereafter the Consolidated Leverage Ratio required under this Section 6.21(b) shall return to 2.00 to 1.00. The Consolidated Leverage Ratio shall be measured quarterly.

SECTION 6.22. Amendments to Subordinated Debt. Except with respect to additional Debt permitted under Section 6.06(d) and (e), no Loan Party shall, nor shall it permit any of its Subsidiaries to, amend, supplement or otherwise modify any instrument or agreement relating to any Subordinated Debt, if such amendment, supplement or other modification (a) increases the principal balance of such Debt or increases any required payment of principal or interest, (b) accelerates the date on which any installment of principal or interest is due, or adds any additional redemption, put or prepayment provisions, (c) shortens the final maturity date or otherwise accelerates the amortization of such Debt, (d) increases the rate of interest thereon, (e) increases or adds any fees or charges, (f) modifies any covenant in any manner, or adds any representation, covenant or default, that is more onerous or restrictive for any Loan Party or its Subsidiary, or that is otherwise materially adverse to any Loan Party or its Subsidiary or any Credit Party, or (g) results in the Obligations ceasing to constitute "senior indebtedness" or otherwise senior in right of payment to the Subordinated Debt.

SECTION 6.23. Limitation on Changes to Holding Company Status. Construction Partners shall not engage in any business or activity other than:

(a) the ownership of outstanding Equity Interests in Borrowers;

(b) maintaining its corporate existence;

(c) participating in tax, accounting and other administrative activities as the parent of the consolidated group of companies including the Loan Parties;

(d) the performance of obligations under the Loan Documents to which it is a party;

(e) making any Restricted Payment permitted herein; and

(f) activities incidental to the businesses or activities described in (a) through (e).

SECTION 6.24. Amendment to Material Contracts. Except for amendments, supplements, or modifications made in the ordinary course of business, no Loan Party shall amend, supplement or otherwise modify a Material Contract in any respect adverse to the interests of the Lenders, without the prior written consent of Agent.

ARTICLE VII
DEFAULT AND REMEDIES

SECTION 7.01. Events of Default. Any one or more of the following events or conditions and, in the case of item (a), the continuation thereof for five (5) Business Days (each, an "Event of Default"), shall authorize Agent to take any one or more of the actions described in Section 7.02:

(a) Any Borrower shall fail to pay when due any principal of any Advance (including, any Advance or portion thereof to be repaid pursuant to Section 2.12) or any Reimbursement Obligation with respect to any Letter of Credit; or any Borrower shall fail to pay any interest on any Advance when such interest shall become due; or any Loan Party shall fail to pay any fee or other amount payable hereunder when such fee or other amount becomes due; or

(b) any Loan Party shall fail to observe or perform any covenant contained in Section 5.04, 5.12 or 5.13 or in Article VI; or

(c) any Loan Party shall fail to observe or perform any covenant or agreement contained or incorporated by reference in this Agreement (other than those covered by clause (a) or (b) above or clause (n) or (q) below) or any other Loan Document and such failure continues for 10 Business Days after the earlier of (i) the first day on which any Loan Party has knowledge of such failure or (ii) written notice thereof has been given to Borrower by Agent; or

(d) any representation, warranty, certification or statement made or deemed made by any Loan Party in Article IV of this Agreement, in any other Loan Document or in any financial statement, material certificate or other material document or report delivered pursuant to any Loan Document shall prove to have been untrue or misleading in any material respect when made (or deemed made); or

(e) any Loan Party or any Subsidiary of a Loan Party shall fail to make any payment in respect of Debt (other than the Obligations) having an aggregate principal amount in excess of $2,000,000 after expiration of any applicable cure or grace period; or

(f) any event or condition shall occur which (i) results in the acceleration of the maturity of Debt outstanding of any Loan Party or any Subsidiary of a Loan Party in an aggregate principal amount in excess of $2,000,000 or the mandatory prepayment or purchase of such Debt by any Loan Party (or its designee) or such Subsidiary of a Loan Party (or its designee) prior to the scheduled maturity thereof, or (ii) enables (or, with the giving of notice or lapse of time or both, would enable) the holders of such Debt or any commitment to provide such Debt or any Person acting on such holders' behalf to accelerate the maturity thereof, terminate any such commitment or require the mandatory prepayment or purchase of such Debt prior to the scheduled maturity thereof, without regard to whether such holders or other Person shall have exercised or waived their right to do so; or

(g) any Loan Party or any Subsidiary of a Loan Party shall commence an Insolvency Proceeding, or shall consent to any such relief or to the appointment of a receiver (or administrative receiver, trustee, liquidator, administrator, conservator or other custodian for such Person or any part of its Property) or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally, or shall admit in writing its inability, to pay its debts as they become due, or shall take any entity action to authorize any of the foregoing; or

(h) an Insolvency Proceeding shall be commenced against any Loan Party or any of its Subsidiaries seeking liquidation, reorganization or other relief with respect to it or its Debts and such Insolvency Proceeding shall remain undismissed and unstayed for a period of 60 days (provided that, in any event, during the pendency of any such period, Lenders shall be relieved from their obligation to make Advances or otherwise extend credit to or for the benefit of Borrowers hereunder); or

(i) any Loan Party or any member of the Controlled Group shall fail to pay when due any material amount which it shall have become liable to pay to the PBGC or to a Plan under Title IV of ERISA; or notice of intent to terminate a Plan or Plans shall be filed under Title IV of ERISA by any Loan Party, any member of the Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any such Plan or Plans or a proceeding shall be instituted by a fiduciary of any such Plan or Plans to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding shall not have been dismissed within 30 days thereafter; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any such Plan or Plans must be terminated; or

(j) one or more judgments or orders for the payment of money in an aggregate amount in excess of $10,000,000 (or in excess of $2,000,000 in the case of judgments not or no longer subject to appeal) that are not subject to payment by insurance carriers of a Loan Party shall be rendered against any Loan Party or any of its Subsidiaries and such judgment or order shall continue unsatisfied and unstayed for a period of 30 days or any Loan Party or Subsidiary of a Loan Party shall have made payments in settlement of any litigation or threatened proceeding in excess of $2,000,000; or

(k) a federal tax Lien shall be filed against any Loan Party or any Subsidiary of a Loan Party under Section 6323 of the Code or a lien of the PBGC shall be filed against any Loan Party or any Subsidiary of a Loan Party under Section 4068 of ERISA and in either case such lien shall remain undischarged for a period of 30 days after the date of filing; or

(l) a Change in Control shall occur; or

(m) Agent shall fail for any reason (other than Agent's gross negligence) to have a valid first priority security interest in or Lien upon any of the Collateral; or there shall have occurred uninsured damage to, or loss, theft or destruction of, any part of the Collateral in excess of $2,000,000 in the aggregate during any one Fiscal Year; or

(n) a default or event of default shall occur and be continuing under any of the other Loan Documents including any Collateral Documents, any Letter of Credit or any LC Application Agreement, or any Loan Party shall fail to observe or perform any obligation to be observed or performed by it under any such Loan Document and such default, event of default or failure to perform or observe any obligation continues beyond any applicable cure or grace period provided in such Loan Document; or

(o) a default or event of default shall occur and be continuing under any Material Contract or any Loan Party shall fail to observe or perform any obligation to be observed or performed by it under any Material Contract, and such default, event of default or failure to perform or observe any obligation continues beyond any applicable cure or grace period provided in such Material Contract; or

(p) intentionally deleted; or

(q) any Guarantor shall fail to pay when due any Guaranteed Obligations; or

(r) if one or more Borrowers at any time fail to own (directly or indirectly, through Wholly Owned Subsidiaries) 100% of the outstanding shares of the Voting Securities, voting membership interests or equivalent Equity Interests of each Borrower (other than Construction Partners); or

(s) the indictment of any Loan Party under any criminal statute, or commencement or threatened commencement of criminal or civil proceedings against any Loan Party, pursuant to which statute or proceedings the penalties or remedies sought or available include forfeiture to any Governmental Authority of any material portion of the Property of such Person or any Collateral shall occur; or

(t) any Loan Party shall (or shall attempt to) disaffirm, contest or deny any of its obligations under any Loan Document, or any material provision of any Loan Document shall cease to be valid, binding and enforceable in accordance with its terms as a result of any action or inaction by any Loan Party, or any Loan Party shall challenge the legality or enforceability of any Loan Document or shall assert in writing, or engage in any action or inaction based on any such assertion, that any provision of any of the Loan Documents has ceased to be or otherwise is not legal, valid, binding and enforceable in accordance with its terms; or

(u) any Loan Party shall cease to be Solvent;

(v) the occurrence of a cessation of a substantial part of the business of any Loan Party for a period which may be reasonably be expected to have a Material Adverse Effect; or any Loan Party shall suffer the loss or revocation of any license or permit now held or hereafter acquired by such Loan Party which is necessary to the continued or lawful operation of its business; or any Loan Party shall be enjoined, restrained or in any way prevented by court, governmental or administrative order from conducting all or any material part of its business affairs; or any material lease or agreement pursuant to which any Loan Party leases or occupies any premises on which any Collateral is located shall be canceled or terminated prior to the expiration of its stated term and such cancellation or termination has a Material Adverse Effect; or any material part of the Collateral shall be taken through condemnation or the value of such Property shall be materially impaired through condemnation, and such taking or impairment could reasonably be expected to have a Material Adverse Effect;

(w) any Governmental Authority imposes any limitation or prohibition on any Loan Party or its Subsidiaries that restricts such Loan Party or Subsidiary ability to pay dividends, principal or interest payments or management fees and such restriction could reasonably be expected to have a Material Adverse Effect;

(x) (i) any of the subordination, standstill, payover and insolvency related provisions of any of the Subordinated Debt documents (the "Subordination Provisions") shall, in whole or in part, terminate, cease to be effective or cease to be legally valid, binding and enforceable against any holder of the applicable Subordinated Debt; or (ii) any Borrower or any other Loan Party shall, directly or indirectly, disavow or contest in any manner (A) the effectiveness, validity or enforceability of any of the Subordination Provisions, (B) that the Subordination Provisions exist for the benefit of Agent and the Secured Parties or (C) that all payments of principal of or premium and interest on the applicable Subordinated Debt, or realized from the liquidation of any property of any Loan Party, shall be subject to any of the Subordination Provisions; or

(y) the occurrence of any event, act or condition which the Required Lenders reasonably determine either causes or has a reasonable probability of having a Material Adverse Effect;

SECTION 7.02. Remedies. Upon or after the occurrence of any Event of Default, Agent (i) may, and shall if requested by the Required Lenders in writing, terminate the Commitments; (ii) if requested by the Required Lenders in writing, instruct Issuing Bank to declare an event of default under the LC Application Agreements; and (iii) may, and shall if requested by the Required Lenders in writing, declare the Obligations (including accrued interest) and all other amounts payable hereunder and under the other Loan Documents to be, and such Obligations shall thereupon become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by Loan Parties; provided, however, that if any Event of Default specified in clause(g) or (h) above

occurs with respect to any Loan Party or any Subsidiary of a Loan Party, without any notice to any Loan Party or any other act by Agent or Lenders, the Commitments shall thereupon automatically terminate and all Obligations (including accrued interest) shall automatically become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by Loan Parties. Notwithstanding the foregoing, Agent shall have available to it all rights and remedies provided under the Loan Documents (including the rights of a secured party pursuant to the Collateral Documents) and in addition thereto, all other rights and remedies at law or equity, and Agent may, and shall at the written direction of the Required Lenders, exercise any or all of them.

SECTION 7.03. Cash Cover. If any Event of Default shall exist, Borrowers shall, if requested by Agent, Cash Collateralize the Undrawn Amount of Letters of Credit, Banking Relationship Debt and other contingent Obligations; provided that, if any Event of Default specified in Sections 7.01(g) or (h) exists, Borrower shall be obligated to Cash Collateralize the Undrawn Amount of Letters of Credit, Banking Relationship Debt and other contingent Obligations forthwith without any notice to Borrowers or any other act by Agent.

SECTION 7.04. Post-Default Allocation of Proceeds. If an Event of Default exists and (i) Agent or Required Lenders elect or (ii) the maturity of the Obligations has been accelerated pursuant to this Article VII, all payments (including Proceeds of Collateral) received by Agent in respect of any of the Obligations or any other amounts payable by Borrower or any other Loan Party hereunder or under the other Loan Documents shall be applied by Agent in the following order:

(a) To payment of that portion of the Obligations constituting fees, indemnities, Credit Party Expenses and other amounts (including fees, charges and disbursements of counsel to Agent and amounts payable under Article IX and Section 2.13) payable to Agent in its capacity as such; and then

(b) To payment of that portion of the Obligations constituting indemnities, Credit Party Expenses and other amounts (other than principal, interest and fees) payable to Lenders and Issuing Bank (including fees, charges and disbursements of counsel to the respective Lenders and Issuing Bank and amounts payable under Article IX and Section 2.13), ratably among them in proportion to the amounts described in this clause payable to them; and then

(c) [Intentionally Omitted];

(d) To payment of that portion of the Obligations constituting accrued and unpaid interest on the Advances and Reimbursement Obligations, and fees (including unused commitment fees or LC Fees), ratably among Lenders and Issuing Bank in proportion to the respective amounts described in this clause payable to them; and then

(e) [Intentionally Omitted];

(f) To payment of that portion of the Obligations constituting unpaid principal of the Advances and Reimbursement Obligations, ratably among Secured Parties in proportion to the respective amounts described in this clause held by them; and then

(g) To Agent for the account of Issuing Bank (for the benefit of Issuing Bank and Lenders), to Cash Collateralize outstanding Letters of Credit; and then

(h) To payment of all other Obligations (other than Banking Relationship Debt), ratably among Secured Parties in proportion to the respective amounts described in this clause held by them; and then

(i) To payment of all other Banking Relationship Debt to the extent secured under the Collateral Documents, ratably among Secured Parties in proportion to the respective amounts described in this clause held by them; and then

(j) The balance, if any, after Full Payment of all of the Obligations, to Loan Parties or as otherwise required by Applicable Law.

Subject to Section 2.02, amounts used to Cash Collateralize the aggregate Undrawn Amount of Letters of Credit pursuant to clause (g) above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as cash collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above.

ARTICLE VIII
THE AGENT

SECTION 8.01. Appointment and Authority. Each of Lenders (on behalf of itself and any of its Affiliates that are Secured Parties) and Issuing Bank hereby irrevocably appoints Agent to act on its behalf as its agent hereunder and under the other Loan Documents and authorizes Agent to take such actions on its behalf and to exercise such powers as are delegated to Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Without limiting the generality of the foregoing appointment, each of Secured Parties hereby irrevocably appoints Agent to act on its behalf as agent under the Collateral Documents for purposes of acquiring, holding and enforcing any and all Liens on the Collateral, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of Agent and Lenders and neither Borrowers nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any Applicable Law. Instead such term is used as a matter of market custom and is intended to create or reflect only an administrative relationship between contracting parties.

SECTION 8.02. Rights as a Lender. The Person serving as Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not Agent, and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with any Loan Party or any Subsidiary or other Affiliate thereof as if such Person were not Agent hereunder and without any duty to account therefor to Lenders.

SECTION 8.03. Duties; Exculpatory Provisions. (a) Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, Agent: (i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing; (ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby

or by the other Loan Documents that Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose Agent to liability or that is contrary to any Loan Document or Applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under the Bankruptcy Code or any other Applicable Law or that may effect a forfeiture, modification or termination of Property of a Defaulting Lender in violation of the Bankruptcy Code or any other Applicable Law; and (iii) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Loan Party or Affiliates thereof that is communicated to or obtained by the Person serving as Agent or any of its Affiliates in any capacity.

(b) Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of Lenders as shall be necessary, or as Agent shall believe in good faith shall be necessary, under the circumstances as provided herein) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and non-appealable judgment. Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until notice describing such Default or Event of Default is given to Agent by Borrowers or a Lender.

(c) Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article III or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to Agent.

SECTION 8.04. Reliance by Agent. Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of an Advance, which by its terms must be fulfilled to the satisfaction of a Lender, Agent may presume that such condition is satisfactory to such Lender unless Agent shall have received notice to the contrary from such Lender prior to the making of such Advance. Agent may consult with legal counsel (who may be counsel for Borrowers), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

SECTION 8.05. Delegation of Duties. Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by Agent. Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Agent. Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that a court of competent jurisdiction determines in a final andnon-appealable judgment that Agent acted with gross negligence or willful misconduct in the selection of such sub-agent.

SECTION 8.06. Resignation of Agent. Agent may at any time give notice of its resignation to Lenders, Issuing Bank and Borrower Agent. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with Borrowers, to appoint a successor, which shall be a bank with an office in the United States of America or an Affiliate of any such bank with an office in the United States of America. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation, then the retiring Agent may, on behalf of Lenders, appoint a successor Agent meeting the qualifications set forth above. Upon acceptance of its appointment as Agent hereunder by its successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations hereunder and under the Loan Documents. The fees payable by Borrowers to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between Borrowers and such successor. Notwithstanding the foregoing, if no successor of Agent shall have been so appointed and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its intent to resign, the retiring Agent may give notice of the effectiveness of its resignation to Lenders, Issuing Bank and Borrower Agent, whereupon, on the date of the effectiveness of such resignation stated in such notice, (a) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents, provided that, solely for purposes of maintaining any security interest granted to Agent under any Collateral Documents for the benefit of Secured Parties, the retiring Agent shall continue to be vested with such security interest as collateral agent for the benefit of Secured Party and, in the case of any Collateral in its possession, shall continue to hold such Collateral, in each case until such time as a successor Agent is appointed and accepts such appointment in accordance with this Section 8.06 (it being understood and agreed that the retiring Agent shall have no duty or obligation to take any further action under any Collateral Document, including any action required to maintain the perfection of any such security interest), and (b) Required Lenders shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Agent, provided that (i) all payments required to be made hereunder or under any other Loan Document to Agent for the account of any Person other than Agent shall be made directly to Person and (ii) all notices and other communications required or contemplated to be given or made to Agent shall also be given or made directly to each Lender and Issuing Bank.

If Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof (a "Defaulting Agent"), the Required Lenders may, to the extent permitted by applicable law, by notice in writing to Borrower Agent and the Defaulting Agent remove the Defaulting Agent as Agent and, in consultation with the Borrower Agent, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of Agent, and the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents other than its liability, if any, for duties and obligations accrued prior to its retirement.

Following the effectiveness of Agent's resignation or removal from its capacity as such, the provisions of thisArticle VIII and Section 11.03 shall continue in effect for the benefit of such retiring or removed Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as Agent.

SECTION 8.07. Non-Reliance. (a) Each Lender acknowledges that it has, independently and without reliance upon Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

(b) Each of Lenders and Issuing Bank acknowledges and agrees (i) that Agent makes no representation or warranty of any kind as to the accuracy or completeness of any Report (as defined below) and shall not be liable for any information contained in or omitted from any Report; (ii) that the Reports are not intended to be comprehensive audits or examinations and Agent or any other Person performing any audit or examination will inspect only specific information regarding the Obligations or the Collateral and will rely significantly upon each Borrower's books and records as well as upon representations of each Borrower's officers and employees; and (iii) to keep all Reports confidential and strictly for such Lender's or Issuing Bank's internal use and not to distribute any Report (or the contents thereof) to any Person (except to such Lender's participants, attorneys and accountants on a confidential basis) or use any Report in any manner other than administration of the Advances and other Obligations. Each of Lenders and Issuing Bank shall indemnify and hold harmless Agent and each other Person preparing a Report from any claim, action, proceeding, damages, costs, expenses, and other amounts (including reasonable attorneys' fees) incurred by Agent or any other Person as the direct or indirect result of any third parties who might obtain all or any part of a Report through the indemnifying Lender or Issuing Bank. As used herein, the term "Report" means a report prepared by Agent or another Person containing, summarizing or otherwise showing the results of appraisals, field examinations, or audits pertaining to any of the Collateral or any Loan Party.

SECTION 8.08. Agent Titles; No Other Duties, Etc. Borrowers and each Lender hereby acknowledge that any Person designated as an "Agent" on the signature pages hereof (other than Agent) shall not have any powers, obligations, duties or liabilities hereunder other than in its capacity as a Lender (if it is a Lender) and shall in no event be deemed to have any fiduciary relationship with any other Credit Party or any Loan Party. Anything herein to the contrary notwithstanding, the Lead Arranger listed on the cover page hereof shall not have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as Agent or a Lender hereunder.

SECTION 8.09. No Joinder; Instructions from Required Lenders. The rights and remedies conferred upon Agent under the Loan Documents may be exercised without the necessity of joinder of any other Person, unless expressly otherwise required by Applicable Law. Agent may request instructions from Required Lenders or other Secured Parties with respect to any act (including any failure to act) in connection with any Loan Documents and may seek assurances to its satisfaction from any or all of Lenders or other Secured Parties of their indemnification obligations against any claims that could be incurred by or imposed upon Agent in connection with any act or failure to act. Agent shall be entitled to refrain from any act until it has received such instructions or assurances, and Agent shall not incur any liability to any Person by reason of so refraining. Instructions of Required Lenders shall be binding upon all Secured Parties and no Secured Party shall have any right of action whatsoever against Agent as a result of Agent acting or refraining from acting in accordance with the instructions of Required Lenders.

SECTION 8.10. Hedging Agreements, Cash Management Services and Bank Products. Except as otherwise expressly set forth herein or in any Collateral Document, no provider of a Bank Product or Cash Management Services (including a Hedge Counterparty) that obtains a Guaranty or any Collateral by virtue of the provisions hereof or of any Collateral Document shall have any right to

notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) or any Guaranty (including the release or impairment of any Guaranty) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article VIII to the contrary, Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations consisting of Banking Relationship Debt.

SECTION 8.11. Collateral and Guaranty Matters. (a) Secured Parties irrevocably authorize Agent, at its option and in its discretion,

(i) to release any Lien on any property granted to or held by Agent under any Loan Document (x) upon termination of all Revolver Commitments and payment in full of all Obligations (other than contingent indemnification obligations), (y) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted under the Loan Documents, or (z) subject to Section 11.05, if approved, authorized or ratified in writing by the Required Lenders;

(ii) to subordinate any Lien on any property granted to or held by Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 6.07; and

(iii) to release any Guarantor from its obligations under the Guaranty if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents.

Upon request by Agent at any time, the Required Lenders will confirm in writing Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty pursuant to this Section 8.11.

(b) Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall Agent be responsible or liable to Lenders for any failure to monitor or maintain any portion of the Collateral.

SECTION 8.12. No Partnership/Joint Venture; Agent as Representative of Secured Parties. (a) Loan Parties acknowledge that Credit Parties are not their partners or co-venturers, and no Credit Party shall be liable for the acts or omissions of, or (except as otherwise set forth herein in the case of Agent) authorized to act for, any other Credit Party. Agent shall have the exclusive right on behalf of Lenders to enforce payment of the principal of and interest on any Advance after the date such principal or interest has become due and payable pursuant to the terms of this Agreement.

(b) In its capacity as such, Agent is a "representative" of the Secured Parties within the meaning of the term "secured party" as defined in the UCC. Each of Lenders and Issuing Bank authorizes Agent to enter into each of the Collateral Documents to which Agent is a party and to take all action contemplated by such document; agrees that no Secured Party (other than Agent) shall have the right individually to seek to realize upon the security granted by any Collateral Document, it being understood and agreed that such rights and remedies may be exercised solely by Agent for the benefit of Secured Parties on the terms of the Collateral Documents; and if any Collateral is hereafter pledged by any Person as collateral security for the Obligations, Agent is hereby authorized, and hereby granted an irrevocable power of attorney, to execute and deliver on behalf of Secured Parties any Loan Documents necessary or appropriate to grant and perfect a Lien on such Collateral in favor of Agent on behalf of Secured Parties.

SECTION 8.13. Agent May File Proofs of Claim. In any Insolvency Proceeding or any other judicial proceeding relative to any Loan Party, Agent (irrespective of whether the principal of any Advance or Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether Agent shall have made any demand on any Loan Party) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Advances and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of Credit Parties (including any claim for the reasonable compensation, expenses, disbursements and advances of Credit Parties and their respective agents and counsel and all other amounts due Credit Parties under Sections 2.06 or 11.03) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other Property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such Insolvency Proceeding or other judicial proceeding is hereby authorized by each Lender and Issuing Bank to remit such payments directly to Agent and, in the event that Agent shall consent to the making of such payments directly to Lenders and Issuing Bank, to pay to Agent any amount due for the reasonable compensation, expenses, disbursements and advances of Agent and its Agent Professionals and any other amounts due Agent under Sections 2.06 or 11.03.

ARTICLE IX
CHANGE IN CIRCUMSTANCES; COMPENSATION

SECTION 9.01. Basis for Determining Interest Rate Inadequate or Unfair. If on or prior to the first day of any Interest Period:

(a) Agent determines that deposits in Dollars (in the applicable amounts) are not being offered in the relevant market for such Interest Period, or

(b) the Required Lenders advise Agent that LIBOR as determined by Agent will not adequately and fairly reflect the cost to such Lenders of funding the Euro-Dollar Advances for such Interest Period,

Agent shall forthwith give notice thereof to Borrower Agent and Lenders, whereupon until Agent notifies Borrower Agent that the circumstances giving rise to such suspension no longer exist, and Agent shall have the right, in its sole discretion, to substitute an alternative index rate, and such rate (however determined) shall be referred to herein as "LIBOR."

SECTION 9.02. Illegality. If any Change in Law or compliance by any Lender (or its Lending Office) with any request or directive (whether or not having the force of law) of any Governmental Authority shall make it unlawful or impossible for any Lender (or its Lending Office) to make, maintain or fund its Advances using LIBOR and such Lender shall so notify Agent, Agent shall forthwith give notice thereof to the other Lenders and Borrower Agent, whereupon until such Lender notifies Borrower Agent and Agent that the circumstances giving rise to such suspension no longer exist, the obligation of such Lender to fund Advances using LIBOR shall be suspended, and Agent shall have

the right, in its sole discretion, to substitute an alternative index rate for LIBOR (and such rate, however determined, shall be referred to herein as "LIBOR" with respect to such Lender). Before giving any notice to Agent pursuant to this Section 9.02, such Lender shall designate a different Lending Office if such designation will avoid the need for giving such notice and will not, in the judgment of such Lender, be otherwise disadvantageous to such Lender. If such Lender shall determine that it may not lawfully continue to maintain and fund any of its portion of the outstanding Advances using LIBOR to maturity and shall so specify in such notice the then outstanding principal amount of such Advances of such Lender shall be converted to an alternative index rate selected by Agent, in its sole discretion, for so long as such circumstances continue to exist, and such rate (however determined) shall be referred to herein as "LIBOR" with respect to such Lender.

SECTION 9.03. Increased Costs. (a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of deposits with or for the account of, or credit extended or participated in by, any Credit Party (except any reserve requirement reflected in the applicable Euro-Dollar Reserve Percentage); or

(ii) subject any Credit Party to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its advances, loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Advances by such Lender or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, converting to, continuing or maintaining any Advance or of maintaining its obligation to make any such Advance, or to increase the cost to such Credit Party of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Credit Party hereunder (whether of principal, interest or any other amount) then, upon request of such Credit Party, Borrowers will pay to such Credit Party such additional amount or amounts as will compensate such Credit Party for such additional costs incurred or reduction suffered.

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

(c) A certificate of a Lender setting forth the amount or amounts necessary to compensate such Credit Party or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section 9.03 and delivered to Borrower Agent shall be conclusive absent manifest error. Borrowers shall pay such Credit Party the amount shown as due on any such certificate within 10 days after receipt thereof.

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

SECTION 9.04. Base Rate Advances Substituted for Affected Euro-Dollar Advances. If (i) the obligation of any Lender to make or maintain a Euro-Dollar Advance has been suspended pursuant to Section 9.02 or (ii) any Lender has demanded compensation under Section 9.03, and Borrowers shall, by at least 5 Business Days' prior notice to such Lender through Agent, have elected that the provisions of this Section 9.04 shall apply to such Lender, then, unless and until such Lender notifies Borrowers that the circumstances giving rise to such suspension or demand for compensation no longer apply:

(a) all Advances which would otherwise be made by such Lender as Euro-Dollar Advances shall instead be made as Base Rate Advances (in all cases interest and principal on such Advances shall be payable contemporaneously with the related Euro-Dollar Advances of the other Lenders), and

(b) after its portion of the Euro-Dollar Advance has been repaid, all payments of principal which would otherwise be applied to repay such Euro-Dollar Advance shall be applied to repay its Base Rate Advance instead. In the event that Borrowers shall elect that the provisions of this Section shall apply to any Lender, Borrowers shall remain liable for, and shall pay to such Lender as provided herein, all amounts due such Lender under Section 9.03 in respect of the period preceding the date of conversion of such Lender's portion of any Advance resulting from Borrowers' election.

SECTION 9.05. Compensation. Upon the request of any Lender, delivered to Borrower Agent and Agent, Borrowers shall pay to such Lender such amount or amounts as shall compensate such Lender for any loss, cost or expense incurred by such Lender as a result of:

(a) any payment or prepayment (pursuant to Sections 2.11, 2.12, 7.01, 9.03 or otherwise) of a Euro-Dollar Advance on a date other than the last day of an Interest Period for such Advance; or

(b) any failure by Borrowers to prepay a Euro-Dollar Advance on the date for such prepayment specified in the relevant notice of prepayment hereunder; or

(c) any failure by Borrowers to borrow a Euro-Dollar Advance on the date for the Borrowing of which such Euro-Dollar Advance is a part;

such compensation to include an amount equal to the excess, if any, of (x) the amount of interest which would have accrued on the amount so paid or prepaid or not prepaid or borrowed for the period from the date of such payment, prepayment or failure to prepay or borrow to the last day of the then current Interest Period for such Euro-Dollar Advance (or, in the case of a failure to prepay or borrow, the Interest Period for such Euro-Dollar Advance which would have commenced on the date of such failure to prepay or borrow) at the applicable rate of interest for such Euro-Dollar Advance provided for herein over (y) the amount of interest (as reasonably determined by such Lender) such Lender would have paid on deposits in Dollars of comparable amounts having terms comparable to such period placed with it by leading lenders in the London interbank market (if such Advance is a Euro-Dollar Advance).

SECTION 9.06. Mitigation Obligations. If any Lender requests compensation under Section 9.03, or requires Borrowers to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.13, then such Lender shall (at the request of Borrowers) use reasonable efforts to designate a different lending office for funding or booking its Advances hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 9.03 or 2.13, as the case may be, in the future, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. Borrowers hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

ARTICLE X
GUARANTY

SECTION 10.01. Unconditional Guaranty. Each Guarantor (other than a Guarantor that has executed and delivered to Agent a separate guaranty of the Obligations) hereby irrevocably, unconditionally and jointly and severally guarantees, each as a primary obligor and not merely as a surety, prompt when due and punctual payment, when due (whether due at scheduled maturity or on any date of required prepayment or by acceleration, demand or otherwise) of all Obligations to Secured Parties and all indebtedness at any time or times payable under this Guaranty, whether direct or indirect, absolute or contingent, and whether for principal, interest, premium, fees, indemnities, contract causes of action, costs, expenses or otherwise (all such indebtedness, liabilities and other obligations being referred to collectively as the "Guaranteed Obligations"). Without limiting the generality of the foregoing, each Guarantor's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by any Loan Party to any Secured Party under or in respect of any of the Loan Documents but for the fact that they are unenforceable or not allowable due to the existence of an Insolvency Proceeding involving such other Loan Party. Each Guarantors' guaranty under this Section 10.01 is an absolute, present and continuing guarantee of payment and not of collectability, and is in no way conditional or contingent upon any attempt to collect from any other Loan Party or upon any other action, occurrence or circumstances whatsoever. If any Loan Party shall fail so to pay any such principal, premium, interest or other amount to any Secured Party, Guarantors shall pay the same forthwith without demand, presentment, protest or notice of any kind (all of which are waived by Guarantors to the fullest extent permitted by Applicable Law), in Dollars, at the place for payment specified in the Loan Documents or specified by Agent in writing, to Agent. Each Guarantor further agrees, promptly after demand, to pay to Agent and the other Secured Parties the costs and expenses incurred by Agent or other Secured Parties in connection with enforcing the rights of Agent or the other Secured Parties against any Loan Party (whether in an Insolvency Proceeding or otherwise) following any default in payment of any of the Guaranteed Obligations or the obligations of Guarantors hereunder, including, the fees and expenses of Agent Professionals, such Lenders and the other Secured Parties. Notwithstanding anything to the contrary contained in this Guaranty, the definition of "Guaranteed Obligations" shall not create any Guarantee by any Loan Party of (or grant of a security interest by any Loan Party to support, as applicable) any Excluded Swap Obligation of such Loan Party for purposes of determining any obligations of any Loan Party.

SECTION 10.02. Obligations Absolute. The obligations of Guarantors hereunder are and shall be absolute and unconditional, irrespective of the validity, regularity or enforceability of any of the Guaranteed Obligations or any of the Loan Documents, shall not be subject to any counterclaim, setoff, deduction or defense based upon any claim any Guarantor may have against any Loan Party or Secured

Party, hereunder or otherwise, and shall remain in full force and effect without regard to, and shall not be released, discharged or in any way affected by, to the fullest extent permitted by Applicable Law, any circumstance or condition whatsoever (whether or not any of Guarantors shall have any knowledge or notice thereof), including:

(a) any amendment or modification of or supplement to any of the Loan Documents or any other instrument referred to herein or therein, or any assignment or transfer of any thereof or of any interest therein, or any furnishing or acceptance of additional security for any of the Guaranteed Obligations;

(b) any waiver, consent or extension under any Loan Document or any such other instrument, or any indulgence or other action or inaction under or in respect of, or any extensions or renewals of, any Loan Document, any such other instrument or any Guaranteed Obligation;

(c) any failure, omission or delay on the part of any Credit Party to enforce, assert or exercise any right, power or remedy conferred on or available to any Credit Party against any Loan Party or Subsidiary of a Loan Party;

(d) any Insolvency Proceeding with respect to a Loan Party or any Subsidiary of a Loan Party or any unavailability of assets against which the Guaranteed Obligations, or any of them, may be enforced;

(e) any merger or consolidation of any Loan Party into or with any other Person or any sale, lease or transfer of any or all of the assets of any Loan Party or Subsidiary of a Loan Party to any Person;

(f) any failure on the part of a Loan Party or any Subsidiary of a Loan Party for any reason to comply with or perform any of the terms of any agreement with any Guarantor;

(g) any exercise or non-exercise by Agent, any Lender or any other Secured Party, of any right, remedy, power or privilege under or in respect of any of the Loan Documents or the Guaranteed Obligations, including under this Section;

(h) any default, failure or delay, willful or otherwise, in the performance or payment of any of the Guaranteed Obligations;

(i) any furnishing or acceptance of security, or any release, substitution or exchange thereof, for any of the Guaranteed Obligations;

(j) any failure to give notice to any Guarantor of the occurrence of any breach or violation of, or any event of default or any default under or with respect to, any of the Loan Documents or the Guaranteed Obligations;

(k) any partial prepayment, or any assignment or transfer, of any of the Guaranteed Obligations; or

(l) any other circumstance (other than Full Payment) which might otherwise constitute a legal or equitable discharge or defense of a guarantor or which might in any manner or to any extent vary the risk of any Guarantor.

Guarantors covenant that their respective obligations hereunder will not be discharged except by complete performance of the obligations contained in the Loan Documents and the Full Payment of the Guaranteed Obligations. Guarantors unconditionally waive, to the fullest extent permitted by Applicable Law (A) notice of any of the matters referred to in this Section, (B) any and all rights which any of the Guarantors may now or hereafter have arising under, and any right to claim a discharge of a Guarantor's obligations hereunder by reason of the failure or refusal by any Secured Party to take any action pursuant to any statute permitting a Guarantor to request that a Secured Party attempt to collect the Guaranteed Obligations from any Loan Party or other Person, (C) all notices which may be required by Applicable Law or otherwise to preserve any of the rights of any Secured Party against any Guarantor including presentment to or demand of payment from a Loan Party or any of its Subsidiaries with respect to any Loan Document, notice of acceptance of each Guarantor's guarantee hereunder and notice to any Loan Party of default or protest for nonpayment or dishonor, (D) any diligence in collection from or protection of or realization upon all or any portion of the Guaranteed Obligations or any security therefor, any liability hereunder, or any party primarily or secondarily liable for all or any portion of the Guaranteed Obligations, and (E) any duty or obligation of any Secured Party to proceed to collect all or any portion of the Guaranteed Obligations from, or to commence an action against, any Loan Party or other Person, or to resort to any security or to any balance of any deposit account or credit on the books of any Secured Party in favor of any Loan Party or any other Person, despite any notice or request of any of the Guarantors to do so.

SECTION 10.03. Continuing Obligations; Reinstatement. The obligations of the Guarantors under this Article X are continuing obligations and shall continue in full force and effect until Full Payment of the Guaranteed Obligations (and any renewals and extensions thereof). The obligations of Guarantors under this Article X shall continue to be effective or be automatically reinstated, as the case may be, if any payment made by a Loan Party on, under or in respect of any of the Guaranteed Obligations is rescinded or must otherwise be restored or returned by the recipient in any Insolvency Proceeding of a Loan Party or its Subsidiary or otherwise, all as though such payment had not been made. If an event permitting the acceleration of all or any portion of the Guaranteed Obligations shall at any time have occurred and be continuing, and such acceleration shall at such time be stayed, enjoined or otherwise prevented for any reason, including because of the pendency of any Insolvency Proceeding of a Loan Party or its Subsidiary, for purposes of this Article X and the obligations of the Guarantors hereunder, such Guaranteed Obligations shall be deemed to have been accelerated with the same effect as if such Guaranteed Obligations had been accelerated in accordance with the terms of the applicable Loan Documents or of this Agreement.

SECTION 10.04. Waivers and Acknowledgments. Each Guarantor hereby unconditionally and irrevocably waives:

(a) Promptness, diligence, notice of acceptance, presentment, demand for performance, notice ofnon-performance, default, acceleration, protest or dishonor and any other notice with respect to any of the Guaranteed Obligations or this Guaranty and any requirement that any Secured Party protect, secure, perfect or insure any Lien or any Property subject thereto or exhaust any right or take any action against any Loan Party or any other Person or any Collateral;

(b) Any right to revoke this Guaranty, such Guarantor acknowledging that this Guaranty is continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future;

(c) Any defense based upon an election of remedies by a Secured Party that in any manner impairs, reduces, releases or otherwise adversely affects the subrogation, reimbursement, exoneration, contribution, indemnification or other rights of such Guarantor to proceed against any other Loan Party, any other Person or any Collateral, and any defense based on any right of setoff or counterclaim against or in respect of the obligations of such Guarantor hereunder;

(d) Any duty on the part of any Secured Party to disclose to such Guarantor any matter, fact or thing relating to the business, condition (financial or otherwise), operations, performance, Property or prospects of any other Loan Party or any of its Subsidiaries now or hereafter known by any Secured Party;

(e) All rights that it may have now or in the future under any Applicable Law to compel any Credit Party or Issuing Bank to marshal any assets or to proceed against any Person or security for the payment or performance of any of the Guaranteed Obligations before, or as a condition to, proceeding against such Guarantor;

(f) All other defenses available to a surety, guarantor or accommodation co-obligor other than Full Payment of all of the Guaranteed Obligations;

Each Guarantor acknowledges that it will receive substantial direct and indirect benefits from the financing and arrangements contemplated by the Loan Documents and that the waivers set forth herein are knowingly made in contemplation of such benefits.

SECTION 10.05. Additional Security, Etc. Guarantors authorize Agent on behalf of Secured Parties, without notice to or demand on the Guarantors and without affecting their liability hereunder, from time to time (a) to obtain additional or substitute endorsers or guarantors; (b) to exercise or refrain from exercising any rights against, and grant indulgences to, any Loan Party or Others; and (c) to apply any sums, by whomsoever paid or however realized, to the payment of the principal of, premium, if any, and interest on, and other obligations consisting of, the Guaranteed Obligations. Each Guarantor waives any right to require any Secured Party to proceed against any additional or substitute endorsers or guarantors or Borrowers or any of their Subsidiaries or any other Person or to pursue any other remedy available to any Secured Party.

SECTION 10.06. Information Concerning Loan Parties. Each Guarantor assumes full responsibility for being informed of the financial condition and assets of all Loan Parties and their respective Subsidiaries and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations and the nature, scope and extent of the risks which each Guarantor assumes hereunder, and agrees that no Secured Party shall have any duty to advise any Guarantor of information known to such Secured Party regarding or in any manner relevant to any of such circumstances or risks.

SECTION 10.07. Reimbursement, Contribution, Subrogation and Other Rights. Each Guarantor hereby unconditionally and irrevocably agrees not to exercise any rights that it may now have or hereafter acquire against any Loan Party that arise from the existence, payment, performance or enforcement of such Guarantor's obligations under or in respect of this Guaranty or any other Loan Document, including any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of any Secured Party against any Loan Party or any Collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including the right to take or receive from any Loan Party, directly or indirectly, in Cash or other Property or by setoff or in any other manner, payment or security on account of such claim, remedy or right, unless and until Full Payment of all Guaranteed Obligations. If any amount shall be paid to any Guarantor in violation of the immediately preceding sentence, such amount shall be received and held in trust for the benefit of Secured Parties, shall be segregated from the Property and funds of such Guarantor and shall forthwith be paid or delivered to Agent in the same form received (with the addition of any necessary endorsement or assignment) to be credited and applied to the Guaranteed Obligations, whether matured or unmatured, in accordance with the terms of the Loan Documents or to be held as collateral security for any Guaranteed Obligations thereafter arising.

SECTION 10.08. Subordination. Each Guarantor hereby subordinates any and all debts, liabilities and other obligations owed to Guarantor by any other Loan Party (the "Subordinated Loan Party Obligations") to the Full Payment of the Guaranteed Obligations; provided, however, other than during any period that a Default or an Event of Default exists, each Guarantor may receive regularly scheduled payments from any other Loan Party on account of any Subordinated Loan Party Obligations, but no Guarantor shall demand, accept or take any action to collect any payment on account of the Subordinated Loan Party Obligations at any time a Default or an Event of Default exists. In any Insolvency Proceeding relating to any Loan Party, each Guarantor agrees that Secured Parties shall be entitled to receive Full Payment of all Guaranteed Obligations (including all interest and expenses accruing after the commencement of such Insolvency Proceeding, whether or not constituting an allowed claim in such Insolvency Proceeding ("Post-Petition Interest")) before such Guarantor receives any payment of any Subordinated Loan Party Obligations. At any time a Default or an Event of Default exists, each Guarantor shall collect, enforce and receive payments on account of the Subordinated Loan Party Obligations as trustee for Agent and shall deliver such payments to Agent on account of the Guaranteed Obligations, including all Post-Petition Interest, fees and other charges, together with any necessary endorsements or other instruments of transfer, but without reducing or affecting in any manner the liability of such Guarantor under other provisions of this Guaranty. At any time an Event of Default exists, Agent is authorized and empowered (but without any obligation to do so), in its discretion, (i) in the name of each Guarantor, to collect and enforce, and to submit claims in respect of, the Subordinated Loan Party Obligations and to apply any amounts received thereon to the Guaranteed Obligations (including any and all Post-Petition Interest), and (ii) to require each Guarantor (A) to collect and enforce, and to submit claims in respect of, the Subordinated Loan Party Obligations and (B) to pay any amounts received on such obligations to Agent for application to the applicable Guaranteed Obligations (including any and all Post-Petition Interest).

SECTION 10.09. Contribution. If and to the extent any Guarantor shall make a payment under this Guaranty (a "Guarantor Payment") which, taking into account all other Guarantor Payments then previously or concurrently made by any other Guarantor, exceeds the amount that otherwise would have been paid by or attributable to such Guarantor if each Guarantor had paid the aggregate Guaranteed Obligations satisfied by such Guarantor Payment in the same proportion as such Guarantor's "Allocable Amount" (as defined below) (as determined immediately prior to such Guarantor Payment) bore to the aggregate Allocable Amounts of each of the Guarantors as determined immediately prior to the making of such Guarantor Payment, then, following indefeasible payment in full, in Cash, of the Guarantor Payment and the Guaranteed Obligations (other than any portion of the Guaranteed Obligations that are unliquidated and have not as yet arisen), and all Commitments and Letters of Credit have terminated or expired or, in the case of all Letters of Credit, are fully Cash Collateralized on terms acceptable to Agent and Issuing Bank, and all agreements related to Bank Products (including Hedging Agreements) and Cash Management Services have been terminated, such Guarantor shall be entitled to receive contribution and indemnification payments from, and be reimbursed by, each other Guarantor for the amount of such excess, pro rata based upon their respective Allocable Amounts in effect immediately prior to such Guarantor Payment. As of any date of determination, the "Allocable Amount" of any Guarantor shall be equal to the excess of the fair saleable value of the Property of such Guarantor over the total liabilities of such Guarantor (including the maximum amount reasonably expected to become due in respect of contingent liabilities, calculated, without duplication, assuming each other Guarantor that is also liable for such contingent liability pays its ratable share thereof), giving effect to all payments made by other Guarantors as of such date in a manner to maximize the amount of such contributions. This Section 10.09 is intended only to define the relative rights of the Guarantors, and nothing set forth herein is intended to or shall impair the obligations of Guarantors, jointly and severally, to pay any amounts as and when the same shall become due and payable in accordance with the terms of this Guarantee. The parties acknowledge that the rights of contribution and indemnification hereunder shall constitute assets of the Guarantor or Guarantors to which such contribution and indemnification is owing.

SECTION 10.10. Keepwell. Each Qualified ECP Guarantor does hereby jointly and severally, absolutely and unconditionally and irrevocably undertake to provide such funds or other support as may be needed from time to time by each other Guarantor to honor all of its obligations under this Guaranty in respect of a Swap Obligation. Except as otherwise provided herein, the obligations of each Qualified ECP Guarantor under this Section 10.09 shall remain in full force and effect until the termination of all Swap Obligations. Each Qualified ECP Guarantor intends that this Section 10.10 constitutes, and this Section 10.10 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Loan Party for all purposes of Section 1a(18)(A)(b)(ii) of the Commodity Exchange Act.

SECTION 10.11. Miscellaneous. The liability of each Loan Party as a Guarantor under this Article X is in addition to and shall be cumulative with all liabilities and obligations of such Loan Party to Credit Parties under this Agreement and the other Loan Documents to which such Loan Party is a party or in respect of any obligations or liabilities of the other Loan Parties, without limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary. Except as may otherwise be expressly agreed upon in writing, the liability of the Guarantors under this Article X shall neither affect nor be affected by any prior or subsequent Guarantee by Guarantors of any other indebtedness to Agent, Lenders or any other Secured Party. Each Credit Party may assign or otherwise transfer all of or any portion of its rights and obligations under this Agreement (including all or any portion of its Commitments and share of Obligations) to any other Person and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Credit Party herein or otherwise, in each case as an and to the extent provided in Section 11.07. **No Guarantor shall have the right to assign its rights or delegate its duties hereunder without the prior written consent of Agent and Lenders.**

SECTION 10.12. Maximum Liability. Each Guarantor and, by its acceptance of this Guaranty, Agent, each Lender and Issuing Bank, hereby confirm that it is the intention of all such Persons that neither this Guaranty nor the obligations of each Guarantor hereunder not constitute a fraudulent transfer or fraudulent conveyance for purposes of any Applicable Law (including the Bankruptcy Code, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act, or any similar foreign, federal or state law to the extent applicable to this Guaranty and the obligations of such Guarantor hereunder). To effectuate the foregoing intention, the parties hereby agree that the obligations of each Guarantor under this Guaranty at any time shall be limited to the maximum amount as will result in the obligations of such Guarantor under this Guaranty not constituting a fraudulent transfer or conveyance.

SECTION 10.13. Other Limitations. Notwithstanding any provision to the contrary set forth in this Article X or any other provision of this Agreement, (i) with respect to the Revolver Advances, each Guarantor's obligation to repay the principal amount of the Revolver Advances shall not exceed the Borrower's Revolver Sublimit of the Loan Party of which the Guarantor is a subsidiary, and (ii) with respect to the Term Loan Advances, each Guarantor's obligation to repay the principal amount of Term Loan Advances shall not exceed the Borrower's Term Loan Recourse Amount of the Loan Party of which the Guarantor is a subsidiary.

ARTICLE XI
MISCELLANEOUS

SECTION 11.01. Notices. (a) Notice Addresses. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows:

(i) if to Borrowers or any other Loan Party, to Borrower Agent at Construction Partners, Inc., Attention: R. Alan Palmer, apalmer@constructionpartners.net; Telephone No. (334)673-9763.

(ii) if to Agent, to Compass Bank at Dothan West, 2872 West Main Street, Dothan, Alabama 36305, Attention: John D. Brown, Senior Vice President, Facsimile No. 205-297-2527; Telephone No. (334) 712-7037, with a courtesy copy to John D. Pickering, Balch & Bingham, LLP at 1901 Sixth Avenue North, Suite 1500, Birmingham, Alabama 35203.

(iii) if to a Lender, to it at its address (or facsimile number) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications to the extent provided in paragraph (b) below shall be effective as provided in said paragraph (b).

(b) Electronic Communications. Notices and other communications to Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified Agent that it is incapable of receiving notices under such Article by electronic communication. Agent or Borrowers may, in their discretion, agree to accept notices and other communications to them hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) Change of Address, Etc. Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

(d) Platform.

(i) Each Loan Party agrees that Agent may, but shall not be obligated to, make the Communications (as defined below) available to Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system (the "Platform").

(ii) THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." AGENT PARTIES DO NOT WARRANT THE ADEQUACY OF THE PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD-PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE COMMUNICATIONS OR THE PLATFORM. In no event shall any Agent Party have any liability to any Loan Party, any Lender or any other Person for damages of any kind, including direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of any Loan Party's or Agent's transmission of Communications through the Platform. "Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Loan Party pursuant to any Loan Document or the transactions contemplated therein which is distributed to or by Agent or any Lender by means of electronic communications pursuant to this Section, including through the Platform.

SECTION 11.02. No Waiver; Exercise of Remedies. (a) No failure or delay by Agent or any Lender in exercising any right, power or privilege hereunder or under any Note or other Loan Document shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

(b) Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, Agent in accordance with Article VII for the benefit of all Lenders; provided, however, that the foregoing shall not prohibit (i) Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Agent) hereunder and under the other Loan Documents, (ii) any Lender from exercising setoff rights in accordance with Section 11.04, or (iii) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of any Insolvency Proceeding.

SECTION 11.03. Expenses; Indemnity; Damage Waiver. (a) Costs and Expenses. Loan Parties shall, jointly and severally, pay (i) all reasonable out-of-pocket expenses incurred by Agent and its Affiliates (including fees and expenses of Agent Professionals) in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder, and (ii) all reasonable out-of-pocket expenses incurred by Agent, any Lender or Issuing Bank (including the fees, charges and disbursements of any counsel for Agent, any Lender or Issuing Bank), and shall pay all fees and time charges for attorneys who may be employees of Agent, any Lender or Issuing Bank, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Advances made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Advances or Letters of Credit.

(b) Indemnification by Loan Parties. Loan Parties shall, jointly and severally, indemnify Agent (and anysub-agent thereof), each Lender and Issuing Bank and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, penalties, damages, liabilities and related expenses (including the reasonable fees, charges and disbursements of any counsel for any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by Borrowers or any other Loan Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Advance or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or Environmental Releases on or from any property owned or operated by Borrowers or any of its Subsidiaries, or any Environmental Liability related in any way to Borrowers or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by Borrowers or any other Loan Party, and regardless of whether any Indemnitee is a party thereto; provided, however, that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by Borrowers or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if Borrowers or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. This Section 11.03(b) shall not apply with respect to Taxes and other than any Taxes that represent losses, claims, damages, liabilities or expenses arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that a Loan Party for any reason fails to indefeasibly pay any amount required under paragraph (a) or (b) of this Section 11.03 to be paid by it to Agent (or anysub-agent thereof), Issuing Bank or any Related Party of any of the foregoing, each Lender severally agrees to pay to Agent (or any such sub-agent), such Issuing Bank or such Related Party, as the case may be, such Lender's Pro Rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against Agent (or any such sub-agent) or such Issuing Bank or against any Related Party of any of the foregoing acting for Agent (or any such sub-agent) or such Issuing Bank. The obligations of the Lenders under this paragraph (c) are subject to the provisions of Section 11.10.

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by Applicable Law, Loan Parties shall not assert, and hereby waive, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Advance or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in paragraph (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(e) Payments; Survival. All amounts due under this Section 11.03 shall be payable promptly after demand therefor. Each party's obligations under this Section shall survive the termination of the Loan Documents and payment of the Obligations.

SECTION 11.04. Setoffs; Sharing of Setoffs; Application of Payments. (a) If an Event of Default shall have occurred and be continuing, each Credit Party and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Credit Party or its Affiliate to or for the credit or the account of any Loan Party against any and all of the obligations of any Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Credit Party or its Affiliates, irrespective of whether or not such Credit Party or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of such Loan Party may be contingent or unmatured or are owed to a branch, office or Affiliate of a Credit Party different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided that if any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to Agent for further application in accordance with the provisions of Section 7.04 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the other Credit Parties, and (y) the Defaulting Lender shall provide promptly to Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of Credit Parties and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that each Credit Party or its Affiliates may have. Each Lender and Issuing Bank agrees to notify Borrowers and Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

(b) If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Advances or other Obligations (excluding any Banking Relationship Debt) hereunder or under any other Loan Document resulting in such Lender's receiving payment of a proportion of the aggregate amount of its Advances and accrued interest thereon or other such Obligations (excluding any Banking Relationship Debt) greater than its Pro Rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify Agent of such fact, and (b) purchase (for Cash at face value) participations in the Advances and such other Obligations (excluding any Banking Relationship Debt) of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by Lenders on a Pro Rata basis, provided that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this paragraph shall not be construed to apply to (x) any payment made by a Loan Party pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender) or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Advances or participations in Reimbursement Obligations to any assignee or participant, other than to Borrowers or any Subsidiary thereof (as to which the provisions of this paragraph shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under Applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against each Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of each Loan Party in the amount of such participation.

SECTION 11.05. Amendments and Waivers. (a) Any provision of this Agreement or any other Loan Document may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by Borrowers and the Required Lenders (and, if the rights or duties of Agent or Issuing Bank, as applicable, are affected thereby, by Agent or Issuing Bank, as applicable); provided that:

(i) without the prior written consent of each affected Lender, no amendment shall be effective that would (a) increase the Commitment of any Lender (it being understood and agreed that a waiver of any condition precedent set forth in Section 3.02 or of any Default or Event of Default is not considered an increase in the Commitments of any Lender or any Lender's obligation to fund); (b) reduce the amount of, or waive or delay payment of, any principal, interest or fees payable to such Lender; provided that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of Borrowers to pay interest at the Default Rate; or (c) extend the Termination Date or the Term Loan Maturity Date;

(ii) without the prior written consent of all Lenders, no amendment shall be effective that would (a) amend the definitions of "Required Lenders" or any of the provisions of this Section 11.05; (b) amend the definition of "Pro Rata" or alter the pro rata sharing provisions of this Agreement; (c) amend the application of payments under Section 7.03 of this Agreement; (d) release all or substantially all of the Collateral held as security for the Obligations; or (e) release any guaranty given to support payment of the Guaranteed Obligations except to the extent otherwise provided in this Agreement. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver, or consent hereunder (and any amendment, waiver, or consent which by its terms requires the consent of all Lenders may be effected with the consent of all Lenders other than Defaulting Lenders), provided that, without in any way limiting Section 2.14, any such amendment, waiver, or consent that would increase or extend the term of the Commitments or Advances of such Defaulting Lender, extend the date fixed for the payment of principal or interest owing to such Defaulting Lender hereunder, reduce the principal amount of any obligation owing to such Defaulting Lender, reduce the amount of or the rate or amount of interest on any amount owing to such Defaulting Lender or of any fee payable to such Defaulting Lender hereunder, or alter the terms of this proviso, will require the consent of such Defaulting Lender. Notwithstanding the foregoing, all instruments and agreements evidencing any Bank Products or Cash Management Services (including Hedging Agreements) may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto.

(b) Notwithstanding anything in clause (a), (i) unless also signed by Agent or Issuing Bank, as applicable, no amendment, waiver or consent shall affect the rights or duties of Agent or the Issuing Bank, as applicable, under this Agreement or any other Loan Document, and (ii) Agent's Letter Agreement may be amended, or rights or privileges thereunder waived, only by means of a written agreement executed by all of the parties thereto. Additionally, notwithstanding anything to the contrary herein, each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Advances, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code supersedes the unanimous consent provisions set forth herein and the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of an Insolvency Proceeding and such determination shall be binding on all of Lenders.

(c) No Loan Party will solicit, request or negotiate for or with respect to any proposed waiver or amendment of any of the provisions of this Agreement unless each Lender shall be informed thereof by Borrowers, or by Agent, and shall be afforded an opportunity to consider the same and shall be supplied by Borrowers, or by Agent, if Borrowers so requests and to the extent already furnished to Agent, with sufficient information to enable it to make an informed decision with respect thereto. Executed or true and correct copies of any waiver or consent effected pursuant to the provisions

of this Agreement shall be delivered by Borrowers to Agent for delivery to each Lender forthwith following the date on which the same shall have been executed and delivered by the requisite percentage of Lenders. No Loan Party will, directly or indirectly, pay or cause to be paid any remuneration, whether by way of supplemental or additional interest, fee or otherwise, to any Lender (in its capacity as such) as consideration for or as an inducement to the entering into by such Lender of any waiver or amendment of any of the terms and provisions of this Agreement unless such remuneration is concurrently paid, on the same terms, ratably to all such Lenders that provide their consent to such waiver or amendment.

SECTION 11.06. Margin Stock Collateral. Each of the Lenders represents to Agent and each of the other Lenders that it in good faith is not, directly or indirectly (by negative pledge or otherwise), relying upon any Margin Stock as collateral in the extension or maintenance of the credit provided for in this Agreement.

SECTION 11.07. Successors and Assigns. (a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither Borrowers nor any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of paragraph (b) of this Section 11.07, (ii) by way of participation in accordance with the provisions of paragraph (d) of thisSection 11.07 or (iii) by way of pledge or assignment of a security interest subject to the restrictions of paragraph (f) of this Section 11.07 (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in paragraph (d) of this Section 11.07 and, to the extent expressly contemplated hereby, the Related Parties of each of Agent and Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Advances at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitments and the Advances at the time owing to it or contemporaneous assignments to related Approved Funds that equal at least the amount specified in paragraph (b)(i)(B) of this Section 11.07 in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in paragraph (b)(i)(A) of thisSection 11.07, the aggregate amount of the Commitments or Advances of any Class (which for this purpose includes Advances outstanding thereunder) or, if the Commitments are not then in effect, the principal outstanding balance of the Advances of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to Agent or, if a "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than $5,000,000, unless each of Agent and, so long as no Default has occurred and is continuing, Borrowers otherwise consent (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement. An assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of one Class of Commitments or Advances shall not be made unless the assigning Lender is contemporaneously assigning to such assignee a proportionate and equal part of the assigning Lender's rights and obligations in respect of each other Class of Commitments or Advances under this Agreement. In no event shall any Lender assign a proportionate part of its rights and obligations in respect to one Class of Commitments or Advances unless such Lender contemporaneously assigns to the same assignee a proportionate and equal part of the assigning Lenders rights and obligations in respect of each other Class of Commitments or Advances under this Agreement;

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by paragraph (b)(i)(B) of this Section 11.07 and, in addition:

(A) the consent of Borrowers (such consent not to be unreasonably withheld or delayed) shall be required unless (x) a Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that Borrowers shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to Agent within 5 Business Days after having received notice thereof; and provided, further, that Borrowers' consent shall not be required during the primary syndication of the Credit Facilities;

(B) the consent of Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of (i) the Revolver Advances or any unfunded Revolver Commitments if such assignment is to a Person that is not a Lender with a Revolver Commitment in respect of such credit facility, an Affiliate of such Lender or an Approved Fund with respect to such Lender; and

(C) the consent of Issuing Bank shall be required for any assignment in respect of the Revolver Commitments.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to Agent an Assignment and Assumption, together with a processing and recordation fee of $3,500. The Eligible Assignee, if it is not a Lender, shall deliver to Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) Borrowers or any of Borrowers' Affiliates or Subsidiaries or (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B).

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person.

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of Borrowers and Agent, the applicable pro rata share of Advances previously requested but not funded by the Defaulting

Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to Agent, Issuing Bank and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full Pro Rata share of all Advances and participations in Letters of Credit. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under Applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by Agent pursuant to paragraph (c) of this Section 11.07, from and after the effective date specified in each Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 9.03 and 11.03 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided that, except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section 11.07.

(b) Register. Agent, acting solely for this purpose as an agent of Borrowers, shall maintain at one of its offices in Birmingham, Alabama a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of Lenders, and the Commitments of, and principal amounts of the Advances owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). In addition, Agent shall maintain on the Register the designation, and the revocation of designation, of any Lender as a Defaulting Lender of which it has received notice. The entries in the Register shall be conclusive absent manifest error, and Borrowers, Agent and Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by Borrowers and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(c) Participations Any Lender may at any time, without the consent of, or notice to, Borrowers or Agent, sell participations to any Person (other than a natural person or Borrowers or any of Borrowers' Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Advances owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) Borrowers, Agent, Issuing Bank and Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 11.03(b) with respect to any payments made by such Lender to its Participant(s). Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in Section

11.05(a)(i) through (xi) (inclusive) that affects such Participant. Borrowers agrees that each Participant shall be entitled to the benefits of Sections 9.03, 9.05 and 2.13(c) (subject to the requirements and limitations therein, including the requirements under Section 2.13(d) (it being understood that the documentation required under Section 2.13(d) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Section 9.06 as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Sections 9.03 or 2.14(c), with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at Borrowers' request and expense, to use reasonable efforts to cooperate with Borrowers to effectuate the provisions of Section 9.06 with respect to any Participant. To the extent permitted by Applicable Law, each Participant also shall be entitled to the benefits of Section 11.04 as though it were a Lender; provided that such Participant agrees to be subject to Section 11.04(b) as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an agent of Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Advances or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 511103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

(d) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 11.08. Confidentiality. (a) Each of Agent, Issuing Bank and Lenders agrees to exercise commercially reasonable efforts to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and other representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by Applicable Law or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to Borrowers and its obligations, (g) with the consent of Borrowers or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to Agent, any Lender or any of their respective

Affiliates on a nonconfidential basis from a source other than Borrowers. In addition, Agent and Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to Agent and Lenders in connection with the administration of this Agreement, the other Loan Documents, and the Commitments.

(b) For purposes of this Section, "Information" means all information received from Loan Parties or any of their Subsidiaries relating to Loan Parties or any of their Subsidiaries or any of their respective businesses, other than any such information that is available to Agent, Issuing Bank or any Lender on a nonconfidential basis prior to disclosure by Loan Parties or any of their Subsidiaries, provided that, in the case of information received from Borrower or any of its Subsidiaries after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

(c) Notwithstanding anything herein to the contrary, "Information" shall not include, and Loan Parties and Credit Parties and their respective Affiliates (and the respective partners, directors, officers, employees, agents, advisors and other representatives of each of the foregoing and their Affiliates) may disclose to any and all Persons (a) any information with respect to the U.S. federal and state income tax treatment of the transactions contemplated hereby and any facts that may be relevant to understanding such tax treatment, which facts shall not include for this purpose the names of the parties or any other Person named herein, or information that would permit identification of the parties or such other Persons, or any pricing terms or other nonpublic business or financial information that is unrelated to such tax treatment or facts, and (b) all materials of any kind (including opinions or other tax analyses) that are provided to any of the Persons referred to above relating to such tax treatment or facts.

SECTION 11.09. Representations by Lenders. Each Lender hereby represents that it is a commercial lender or financial institution which makes loans in the ordinary course of its business and that it will make its Advances hereunder for its own account in the ordinary course of such business; provided, however, that, subject to Section 11.07, the disposition of the Note or Notes held by that Lender shall at all times be within its exclusive control.

SECTION 11.10. Obligations Several. The obligations of each Lender hereunder are several, and no Lender shall be responsible for the obligations or commitment of any other Lender hereunder. Nothing contained in this Agreement and no action taken by Lenders pursuant hereto shall be deemed to constitute Lenders to be a partnership, an association, a joint venture or any other kind of entity. The amounts payable at any time hereunder to each Lender shall be a separate and independent debt and each Lender shall be entitled to protect and enforce its rights arising out of this Agreement or any other Loan Document and it shall not be necessary for any other Lender to be joined as an additional party in any proceeding for such purpose.

SECTION 11.11. Survival of Certain Obligations. The provisions of Sections 9.03(a), 9.03(b), 9.05 and 11.03, and the obligations of Loan Parties thereunder, shall survive, and shall continue to be enforceable notwithstanding, the termination of this Agreement, and the Revolver Commitments and the payment in full of the principal of and interest on all Advances.

SECTION 11.12. Governing Law. This Agreement and the other Loan Documents and any claims, controversy, dispute, or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement or any other Loan Document (except, as to any other Loan Document, as expressly set forth therein) and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the internal law of the State of New York (without giving effect to any conflict of law principles, but giving effect to federal laws relating to national banks).

SECTION 11.13. Severability. In case any one or more of the provisions contained in this Agreement, the Notes or any of the other Loan Documents should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby and shall be enforced to the greatest extent permitted by law.

SECTION 11.14. Maximum Interest. In no contingency or event whatsoever shall the aggregate of all amounts deemed interest under this Agreement charged or collected pursuant to the terms of this Agreement exceed the highest rate permissible under any Applicable Law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that such a court determines that Lenders have charged or received interest hereunder in excess of the highest applicable rate, the rate in effect hereunder shall automatically be reduced to the maximum rate permitted by Applicable Law and Lenders shall at Agent's option (i) promptly refund to Borrowers any interest received by Lenders in excess of the maximum lawful rate or (ii) apply such excess to the principal balance of the Obligations on a Pro Rata basis. It is the intent hereof that Borrowers not pay or contract to pay, and that neither Agent nor any Lender receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by Borrowers under Applicable Law.

SECTION 11.15. Interpretation. No provision of this Agreement or any of the other Loan Documents shall be construed against or interpreted to the disadvantage of any party hereto by any court or other governmental or judicial authority by reason of such party having or being deemed to have structured or dictated such provision.

SECTION 11.16. Counterparts; Integration; Effectiveness; Electronic Execution.

(a) Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents, and any separate letter agreements with respect to fees payable to Agent, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 3.01, this Agreement shall become effective when it shall have been executed by Agent and when Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement

(b) Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 11.17. Jurisdiction and Venue; Service of Process; Jury Trial Waiver. (a) Submission to Jurisdiction. Each Loan Party irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against Agent, any Lender or any Related Party of the foregoing in any way relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of Alabama sitting in the City of Birmingham, and of the United States District Court of the Northern District of Alabama and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such Alabama State court or, to the fullest extent permitted by Applicable Law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against Borrowers or any other Loan Party or its properties in the courts of any jurisdiction.

(b) Waiver of Venue Objections. Borrowers irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any objection that they may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (a) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Service of Process. Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 11.01. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by Applicable Law.

(d) Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 11.18. Independence of Covenants. All covenants under this Agreement and the other Loan Documents shall be given independent effect so that if a particular action or condition is not permitted by any such covenant, the fact that it would be permitted by an exception to, or would be otherwise allowed by, another covenant shall not avoid the occurrence of a Default or Event of Default if such action is taken or such condition exists.

SECTION 11.19. Concerning Certificates. All certificates required hereunder to be delivered by a Loan Party or its Subsidiaries and that are required to be executed or certified by the chief financial officer or any other Responsible Officer shall be executed or certified by such officer in such capacity solely on behalf of the entity for whom he is acting, and not in any individual capacity; provided that nothing in the foregoing shall be deemed as a limitation on liability of any officer for any acts of willful misconduct, fraud, intentional misrepresentation or dishonesty in connection with such execution or certification.

SECTION 11.20. PATRIOT Act Notice. Each Credit Party hereby notifies each Loan Party that pursuant to the requirements of the PATRIOT Act it is required to obtain, verify and record information that identifies such Loan Party, which information includes the name and address of such Loan Party and other information that will allow such Credit Party to identify such Loan Party in accordance with such Act.

SECTION 11.21. No Fiduciary Relationship. Each Borrower, on behalf of itself and its Subsidiaries, agrees that in connection with all aspects of the transactions contemplated hereby and any communications in connection therewith, Loan Parties and their Affiliates, on the one hand, and Credit Parties and their Affiliates, on the other hand, will have a business relationship that does not create, by implication or otherwise, any fiduciary duty on the part of Credit Parties or their Affiliates, and no such duty will be deemed to have arisen in connection with any such transactions or communications.

[Remainder of Page Intentionally Left Blank; Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, under seal, by their respective Responsible Officers as of the day and year first above written.

CONSTRUCTION PARTNERS, INC.,
a Delaware corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

WIREGRASS CONSTRUCTION COMPANY, INC., an Alabama corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

C. W. ROBERTS CONTRACTING, INCORPORATED, a Florida corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

FRED SMITH CONSTRUCTION, INC.,
a North Carolina corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

EVERETT DYKES GRASSING CO., INC.,
a Georgia corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

FSC II, LLC,
a North Carolina limited liability company

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

COMMITMENTS

COMPASS BANK, as Agent, Issuing Bank, Lead Arranger and as a Lender

By: /s/ John D. Brown (SEAL)
Name: John D. Brown
Title: Sr. Vice President

Revolver Commitment: $21,000,000.00
Term Loan Commitment: $35,000,000.00

Lending Office
Compass Bank
Dothan West
2872 West Main Street
Dothan, Alabama 36305
Attention: John D. Brown, Senior Vice President
Facsimile number: (205) 297-2527
Telephone number: (334) 712-7037

COMMITMENTS

Revolver Commitment: $ 9,000,000.00
Term Loan Commitment: $15,000,000.00

SERVISFIRST BANK, as a Lender

By: /s/ B. Harrison Morris (SEAL)
Name: B. Harrison Morris
Title: President & CEO

Lending Office
4801 West Main Street
Dothan, AL 36305
Attn: Harrison Morris
Facsimile number: 334-793-1001
Telephone number: 334-340-4303

SCHEDULE 1.01

Collateral Locations

Leased locations:

(a) 170 East Main Street, Dothan, AL, 36301

(b) 1614 Hwy 84, Calera, AL 35040

(c) 6150 Stringfield Road, Huntsville, AL 35801

(d) Hwy 31 and E. Lacon Road, Faulkville, AL 35622

(e) 27090 Plywood Mill Road, Andalusia, AL 36421

(f) 2000 Warrenton Rd, Guntersville, AL 35976

(g) 2201 Godfrey Ave SE, Ft. Payne, AL 35967

(h) 702 Pine Level Road, Brantley, AL 36009

(i) US1/GAR, Oak Park, GA 30401

(j) 6643 US Hwy 64 E, Knightdale, NC 27545

(k) 6001 Westgate Road, Raleigh, NC 27617

(l) 10501 North Capital Blvd (US Hwy 1), Wake Forest, NC 27587 /

(m) 7000 Cass Hold Road (Int. Sec Rds 116 & 1127), Holly Springs, NC 27540

(n) 701 Corporate Center Drive, Raleigh, NC 27607

Owned locations:

(a) 290 Healthwest Drive, Dothan, AL 36303

(b) 89741 N US Hwy 231, Ariton, AL 36311

(c) 1016 Walker Street, Montgomery, AL, 36110

(d) 2350 Concrete Drive, Montgomery, AL 36110

(e) 109 Bama Lane, Clanton, AL 35045

(f) 6200 Stringfield Road NW, Huntsville, AL 35806

(g) 3848 Highway 20, Trinity, AL 35673

(h) 1552 Banks McDade Road, Shorter, AL 36075

(i) 1831 Main Street, Shorter, AL 36075

(j) 19588 Alabama Hwy. 52, Kinston, AL

(k) 19570 John T Reid Pkwy, Scottsboro, AL 35768

(l) 632 County Road 99, Headland, AL 36345

(m) 22574 NE SR 20, Hosford, FL 32334

(n) 14921 NE CWR PLT 1 Rd, Hosford, FL 32334

(o) 9914 Pat Thomas Dr.(Hwy 267), Quincy, FL 32351

(p) 3372 Capital Cir NE, Tallahassee, FL 32308

(q) 1201 Aenon Church Road, Tallahassee, FL 32304

(r) 160 Industrial Park Road, Freeport, FL 32439

(s) Highway 331, Freeport, FL 32439

(t) 1603 Bay Avenue, Panama City, FL 32405

(u) 4208 County Road 124-A, Wildwood, FL 34785

(v) Jim Johnson Road, Plant City, FL

(w) 1339 GA Hwy 112, Cochran, GA 31014

(x) 210 Dillard Cary Rd, Cochran, GA, 31014

(y) 7558 Golden Isle Hwy. East, Surrency, GA 31563

(z) Highway 24, Statesboro, GA 30459

(aa) 6105 Chapel Hill Road, Raleigh, NC 26707

(bb) E. Clinton Ave., Roxboro, NC 27607

(cc) 530 Alabama Highway 52

(dd) 284 Flats Road, Elba, AL (Elba Pit)

(ee) Coffee County, AL (Ellis Pit)

(ff) Lovington County, AL (Brantley Pit)

(gg) Dekalb County, AL (Henager Pit)

(hh) Houston County, AL (Wicksburg)

(ii) Macon County, AL (Lambert Pit)

(jj) Macon County, AL (Williamson Property)

(kk) Marshall County, AL (Highpoint Land)

SCHEDULE 4.14

Equity Interests

Construction Partners, Inc.	Authorized 5,000,000 shares	Issued 1,000,002 shares
C. W. Roberts Contracting, Inc.	Authorized 10,000 shares	Issued 10,000 shares
Wiregrass Construction Company, Inc.	Authorized 12,500 shares	Issued 12,500 shares
Everett Dykes Grassing Co., Inc.	Authorized 50,000 shares	Issued 4,356 shares
Fred Smith Construction, Inc.	Authorized 100,000 shares	Issued 10,000 shares
River Works, Incorporated	Authorized 100,000 shares	Issue 100,000 shares

SCHEDULE 4.18

Labor Matters

None

SCHEDULE 4.26

Material Contracts

None

SCHEDULE 4.30

Surety Obligations

C.W. Roberts Contracting, Inc.

Project Name / Owner	Contract Amount
Mamie Scott Resurfacing, City of Monticello	$ 132,117.45
Citizen's Circle Expansion Project, City of Ocala	$ 512,552.21
Wakulla County, FLDOT T3650	$ 3,298,431.28
Holmes County, FLDOT T3610	$ 1,354,302.23
CR 120 SCRAP, Liberty County BOCC	$ 56,661.55
FY17 Annual Resurfacing Phase 1, Bay County BOCC	$ 791,909.23
Ramona Avenue Widening, City of Lake Alfred	$ 291,806.00
LRSO & EBD Site, Eglin AFB, FL sub to Dawson Enterprises	$ 922,894.00
High Point Watermain & Roadway, Marion County, FL	$ 546,381.69
Taylor County, FLDOT E2W42	$ 215,000.00
Residential Road Resurfacing, Citrus County, FL	$ 2,183,743.75
Bellview Heights Roadway Imprs, Marion County BOCC	$ 178,791.00
Holmes County, FLDOT T3583	$ 450,844.45
Jefferson & Leon Cos, FLDOT E3086	$ 3,759,171.00
Widen Taxiway B Duke Field, Eglin AFB DO#0016	$ 742,294.87
Bettstown Road SCOP, Gadsden County BOCC	$ 788,494.45
Okaloosa County, FLDOT T3611	$ 933,656.48
CR2315 Star Avenue, Bay County BOCC	$ 1,122,042.55
Thomas Drive SCOP Improvements, Holmes County BOCC	$ 509,027.20
FEMA District 5 Roads, Contract A, Washington County BOCC	$ 586,015.95
FEMA District 5 Roads, Contract B, Washington County BOCC	$ 488,809.48
Walton County, FLDOT, Subcontract to Prince Contracting	$ 8,149,754.94
2016 Paving Project III, Gadsden County BOCC	$ 1,124,708.79
Washington County T3575, FLDOT	$ 1,223,500.00
Design/Build Transmitter Road Bicycle Lanes, Bay County BOCC	$ 1,172,900.00
Rainbow Lakes Estates, Marion County BOCC	$ 844,401.75
Repair Range Road 213, DO#0012, Eglin AFB, FL	$ 1,434,781.61
Silver Springs Shores 2016 Overlay, Marion County, FL	$ 1,018,268.00
Gulf County T3513, FLDOT	$ 742,276.48
Repair Taxiway G&J, DO#0008, Eglin AFB, FL	$ 1,120,456.84
Leon County T3531, FLDOT	$ 4,796,511.15
Jefferson County T3553, FLDOT	$ 5,112,998.18
CR466A Phase I, Lake County BOCC	$ 3,237,561.49
Holmes County T3556, FLDOT	$ 6,785,910.43

Traffic Opps Push Button Project T3569, FLDOT	$ 4,147,279.00
Eglin Housing Pod 6, Subcontract to Corvias	$ 2,988,706.35
FEMA 1 Area 2, Jackson County, Florida	$ 1,160,741.42
2015 Paving Project, Gadsden County BOCC	$ 1,296,048.35
Gulf County T3514, FLDOT	$ 3,802,688.89
Eglin Housing Pod 3, Subcontract to Corvias	$ 1,411,392.12
Eglin Housing Pod 1 & 4A, Subcontract to Corvias	$ 2,201,158.45
SR83 over Choctawhatchee Bay, sub to Skanska USA	$ 2,751,954.95

Everett Dykes Grassing Company, Inc.

Project Name / Owner	Contract Amount
2017 LMIG Project, Wilcox County, GA	$ 554,702.98
Knox Mill Road and Crooken Run Road, Treutlen Co., GA	$ 324,195.00
2017 Dodge County LMIG	$ 1,019,049.00
Warren County, GADOT SR-16	$ 475,750.00
Pulaski County, GADOT SR-230	$ 2,542,992.40
Laurens County, GADOT SR 126	$ 2,111,655.00
Bleckley County, GADOT SR 26	$ 2,005,062.00
Wilcox & Ben Hill Cos, GADOT SR 233	$ 1,853,133.00
Newton, McDuffie, Emanuel & Burke Cos., GADOT	$ 3,810,179.00
Appling, Evans & Screven Cos, GADOT	$ 1,553,260.00
Brooks, Colquitt, Mitchell & Thomas Cos., GADOT	$ 4,099,136.00
Lanier, Echols & Wilcox Cos, GADOT	$ 3,533,417.00
Appling Co., GADOT SR-27	$ 446,950.00
Wheeler County, GADOT SR-126	$ 829,689.00
Laurens & Johnson Cos., GADOT	$ 483,600.00
Paving Improvements, City of Swainsboro	$ 1,144,537.90
Candler County, GADOT SR-404	$ 537,125.00
Johnson & Treutlen Co 48400-DOT0000749, GADOT	$ 559,845.00
Appling County B1CBA1601665-0, GADOT	$ 2,129,660.60
Appling County B1CBA1601625-0, GADOT	$ 592,222.16
Dodge County B1CBA1601579-0, GADOT	$ 2,699,576.55
Bleckley County B3CBA1601543-0, GADOT	$ 21,383,272.27
Emanuel County B1CBA1601541-0, GADOT	$ 1,219,493.82
2017 LMIG Project, Laurens County, GA	$ 1,806,170.76
Marvin Church Road, Toombs County, GA	$ 2,430,779.00
Laura Dixon Road and Old River Road, Toombs County, GA	$ 1,274,323.50
Jeff Davis County B1CBA1600800-1, GADOT	$ 2,394,997.75
2016 TIA Band 2 Resurfacing Project, Bleckley County, GA	$ 1,261,805.60
Chester County 5406990, SCDOT	$ 824,767.70
Darlington County 5506680, SCDOT	$ 1,230,592.22
Jeff Davis & Appling Co M005170, GADOT	$ 1,947,172.24
Tattnall County M005009, GADOT	$ 1,502,784.78
Johnson County B3TIA1600566-0, GADOT	$ 595,800.00
Dodge County B3TIA1600525-0, GADOT	$ 1,671,648.06
Ware County GADOT, Subcontract to East Coast Asphalt	$ 4,799,580.00
2015 LMIG Project Wriley Road, Wilkinson County, GA	$ 1,129,955.00
Emanuel County B14875-14-000-0, GADOT	$ 5,521,100.90

FSC II, LLC dba Fred Smith Company

Project Name / Owner	Contract Amount
Access Improvements, Johnston County Airport Authority	$ 850,928.85
Southern Regional Bus Lot Paving, Durham County BOE	$ 495,308.25
Granville County, NCDOT DE00151	$ 1,094,500.00
Durham County, NCDOT C203492	$ 7,295,544.75
Granville County, NCDOT DE00151	$ 1,094,500.00
Wake County, NCDOT DE00188	$ 2,663,162.49
AE NC55 Operation Improvements, Town of Apex	$ 1,035,890.50
Grifols, Clayton, NC sub to Shelco, LLC	$ 1,270,000.00
Wake County, NCDOT DE00189	$ 3,150,932.24
Granville County, NCDOT C203902	$ 969,000.00
Mebane Community Park & Walker Field, City of Mebane	$ 8,680,000.00
Wake County, NCDOT C203876	$ 1,010,500.00
West Ellerbee Creek Trail Phase II, City of Durham	$ 1,787,800.00
Johnston County, NCDOT DD00200	$ 3,553,796.40
Durham County, NCDOT DE00195	$ 3,797,637.47
Paving on NC-55 sub to Zachry	$ 3,637,858.00
Green Level West Road Widening, Town of Cary	$ 3,661,500.00
Morrisville Davis Drive Trail, Research Triangle Foundation	$ 1,764,671.00
Capital Blvd Project, sub to Zachry	$ 3,773,940.00
Ravenstone & Stone Hill Estates Paving, City of Durham, NC	$ 2,156,617.50
Wake County DD00194, NCDOT	$ 4,028,345.43
Wake County DD00185, NCDOT	$ 2,876,566.12
Wake County DD00183, NCDOT	$ 3,360,599.09
Raleigh Executive Jetport, Phase 1, Sanford-Lee County Airport Authority	$ 2,277,200.00
Crabtree Creek Greenway, Town of Cary	$ 3,540,000.00
Wilson County DD00190, NCDOT	$ 2,601,862.07
Sampson County D3POC0026, NCDOT	$ 504,000.00
Sampson County D3POC0025, NCDOT	$ 505,000.00
Crabtree & Hatcher Creek Greenway, Town of Morrisville, NC	$ 3,444,443.00
Site Utilities & Paving for Churchill Office Building, Sub to Clancy & Theys	$ 1,405,951.00
Wake County DE00168, NCDOT	$ 1,340,440.00
Orange County DG00325, NCDOT	$ 1,970,791.00
Grading for 3325 LiDL Grocery, Subcontract to Fulcrum Construction	$ 2,472,167.00
Orange County DG00324, NCDOT	$ 974,479.00
Chatham County DH00212, NCDOT	$ 1,489,500.00
Sitework for Davis Park East, Research Triangle, Ltd.	$ 6,177,855.00
Annual Needs Tier Paving Johnson West, NCDOT	$ 950,642.00
Smith & Sanford Creek and Dunn Creek Greenway, Town of Wake Forest	$ 5,742,865.00

Sitework for CentreGreen III, Subcontract to Shelco, LLC	$ 1,558,430.00
Durham County C203883, NCDOT	$ 4,886,862.00
Franklin County C203864, NCDOT	$ 5,644,784.29
Granville County C203727, NCDOT	$ 894,894.00
Grading for FedEx Ground, Subcontract to Ediflee, Inc.	$ 5,050,000.00
Raleigh Union Station S-Line, CSX Transportation	$ 3,524,943.00
Main Street Extension, Town of Holly Springs	$ 8,759,900.00
Chatham County DH00194, NCDOT	$ 2,252,522.00
Clayton Pedestrian Connector, Town of Clayton	$ 1,291,921.00
Homestead Chapel Road Multi Use Path, Town of Carrboro	$ 986,500.00
Main Campus Parking Lot, Wake Tech College	$ 4,884,000.00
Wake County C203797, NCDOT	$ 3,941,701.15
Wake County C203796, NCDOT	$ 3,789,636.02
Old Reedy Creek Road Trailhead, Town of Cary	$ 1,085,610.00
Johnson County C203658, NCDOT	$ 12,932,500.00
Greek Village Infrastructure, Phase 2, NC State University	$ 3,019,000.00
East End Connector NCDOT, Subcontractor to Dragados	$ 22,715,000.00
Johnston County C203733, NCDOT	$ 4,206,334.02
Sitework for E-38 Cary Elementary School, Subcontract to Metcon, Inc.	$ 1,996,368.00
Sanford Downtown Streetscape Improvements, City of Sanford	$ 4,746,856.00
Jonesboro Streetscape Project, City of Sanford	$ 2,663,972.50
Carpenter Park, Town of Cary	$ 2,260,247.00
Harnett County C203497, NCDOT	$ 20,584,529.00
Walnut Street Improvements, Town of Cary	$ 3,991,151.42
North Main Athletic Complex, Town of Holly Springs	$ 7,269,198.00
Sampson County C203464, NCODT	$ 49,108,723.72
Cates Creek Parkway, Phase 2, SLF II, Waterstone LLC	$ 2,129,091.50
Sampson County C203161, NCDOT	$ 39,234,386.71
Durham, Granville & Vance Cos C203273, NCDOT	$ 8,800,000.00
Angier Streetscape, City of Durham	$ 3,316,720.00
Durham & Wake Cos C203128, NCDOT	$ 10,900,447.15

River Works, Incorporated

Project Name / Owner	Contract Amount
West Fork Stream Wetland Mitigation, Thompson & Litton	$ 594,508.00
Morad Park North Plattte River Restoration, City of Casper, WY	$ 1,251,788.90
South Buffalo Creek, City of Greensboro	$ 667,485.00
Hungary Creek Stream Restoration, Henrico Co., VA	$ 882,571.00

Wiregrass Construction Company, Inc.

Project Name / Owner	Contract Amount
Parkside Village Resurfacing, City of Pelham	$ 84,700.20
Bullock County, ALDOT STPAA-HSIP-0051(514)	$ 297,288.00
Macon County, ALDOT ACNU61047-ATRP(008)	$ 297,288.00
Geneva County, ALDOT ACNU58583-ATRP(009)	$ 1,137,212.00
Coosa County, ALDOT STPNU-1917(250)	$ 422,431.00
Chilton County, ALDOT IMF-I065(419)	$ 28,737,082.91
Safety Improvements SR143, AL Department of Finance	$ 42,984.55
Chewalla Marina Drive, City of Eufaula	$ 242,157.40
Road and Drainage Improvements, City of Pelham	$ 1,074,807.75
Conecuh Co., ALDOT STPNU-1816(250)	$ 517,797.00
Recreation Improvements to Douglas Park, City of Headland	$ 64,503.00
Add Turn Lanes, City of Athens	$ 380,111.25
2016-2017 Resurfacing Project, City of Pelham	$ 238,876.85
Montgomery Co., ALDOT IM-I065(474)	$ 1,987,676.00
Covington Co., ALDOT STPAA-0015(528)	$ 5,894,360.35
Henry Co., ALDOT STPAA-HSIP-0027(514)	$ 1,969,880.08
Geneva Co., ALDOT STPAA-HSIP-0052(513)	$ 927,079.57
Troy Sportsplex Trail Extension, City of Troy	$ 126,792.50
Autauga Co., ALDOT STPAA-0115(251)	$ 538,981.73
Bibb Co., ALDOT STPNU-0415(256)	$ 627,552.00
Lawrence Co., ALDOT STPAA-0036(508)	$ 623,823.95
Chilton Co., ALDOT STPAA-HSIP-0003(611)	$ 1,987,399.96
Autauga Co., ALDOT STPAA-HSIP-0014(537)	$ 3,115,615.44
Cullman Co., ALDOT STPAA-HSIP-0003(604)	$ 2,488,893.49
Lakewood Drive Reconstruction, City of Cullman	$ 407,812.03
Dekalb Co., ALDOT BR-0117(502)	$ 4,896,179.72
Macon Co., ALDOT APL-4413(252)	$ 347,152.81
Coffee Co., ALDOT STPNU-1615(250)	$ 669,959.58
Various Resurfacing, Ft. Rucker, AL DO#0037-0040	$ 379,750.77
Shelby Co., ALDOT STPBH-5915(253)	$ 1,442,990.75
Jackson Co., ALDOT NH-0035(531)	$ 4,690,043.17
Jackson Co., ALDOT NH-0002(573)	$ 2,731,213.91
Elmore Co. ALDOT STPNU-2614(253)	$ 702,660.83
Dallas Co., ALDOT STPAA-HSIP-0022(526)	$ 1,605,010.84
Dale County STPNU-2314(254) ALDOT	$ 744,208.00
Cullman County STPOA-2216(250) ALDOT	$ 768,625.81
Covington County NH-HSIP-0009(561) ALDOT	$ 626,851.60
Morgan County NH-0003(598) ALDOT	$ 1,348,534.72

Barbour County STPAA-HSIP-0131(502) ALDOT	$ 1,798,502.00
Dale County STPNU-2314(253) ALDOT	$ 927,028.39
Chilton County STPAA-0022(523) ALDOT	$ 2,689,232.71
Macon County IM-I085(352) ALDOT	$ 5,469,261.58
Group VI Improvements, Phase 4B, Huntsville International Airport	$ 9,236,540.08
Resurfacing Various County Roads, Montgomery County Commission	$ 2,029,669.24
Sidewalk Replacement Downtown, City of Eufaula	$ 500,091.00
DeKalb County STPAA-HSIP-0227(504) ALDOT	$ 1,422,759.05
DO#0029-0031, Ft. Rucker, AL	$ 1,359,212.73
Annual Bid for Paving, Elmore County Commision	$ 10,000.00
Crenshaw County STPNU-2116(250) ALDOT	$ 634,848.00
DO#0024-0028, Ft. Rucker, AL	$ 632,328.89
Covington County ACOA59433-ATRP(010) ALDOT	$ 4,793,197.15
Jackson County STPNU-3614(251) ALDOT	$ 519,470.37
Jackson County ACBR59397-ATRP(007) ALDOT	$ 1,208,638.35
Montgomery County IM-I085(350) ALDOT	$ 1,098,833.51
Butler County ACNU61004(013) ALDOT	$ 1,230,271.00
DO #0021-0023, Ft. Rucker, AL	$ 832,076.00
Elmore County ACAA65112-ATRP(015) ALDOT	$ 2,298,192.00
Macon County ACNU59638-ATRP(005) ALDOT	$ 1,328,389.00
Cullman County ST-022-074-002 ALDOT	$ 1,701,172.00
DeKalb county STPAA-HSIP-0117(511) ALDOT	$ 5,193,572.00
Crenshaw County NH-0009(559) ALDOT	$ 2,630,312.00
Dale County STPAA-HSIP-0092(500) ALDOT	$ 1,634,641.22
Coffee County STPAA-0167(509) ALDOT	$ 3,324,093.10
Street Resurfacing, City of Hoover	$ 2,459,777.29
Shelby County STPAA-0145(506) ALDOT	$ 3,394,806.70
Morgan County ACOA58404-ATRP(016) ALDOT	$ 1,352,370.45
Montgomery County ST-051-110-008 ALDOT	$ 2,935,496.30
Morgan County ACOA58400-ARTP(010) ALDOT	$ 1,029,809.32
Montgomery County ACAA61048-ATRP(003) ALDOT	$ 1,397,668.95
Henry County 99-307-341-173-601 ALDOT	$ 1,648,895.12
Runway Repair 15/33 Maxwell AFB, Subcontract to Coburn Contractors	$ 1,304,350.50
Covington County STPAA-HSIP-0055(512) ALDOT	$ 2,689,541.15
Montgomery County IM-I065(450) ALDOT	$ 1,799,513.42
Geneva County STPAA-HSIP-0052(511) ALDOT	$ 2,397,474.48
Macon County STPAA-HSIP-0008(580) ALDOT	$ 2,241,186.92
DeKalb County NH-0035(529) ALDOT	$ 2,385,916.64
Coffee County STPOA-0027(511) ALDOT	$ 1,494,330.57
Autauga County IM-I065(449) ALDOT	$ 1,466,296.27
Autauga County IM-I065(451) ALDOT	$ 1,433,403.22
Dale County ACOA58578-ATRP(005) ALDOT	$ 3,129,769.00
Montgomery County IMF-I085(338) ALDOT	$ 8,186,737.40

Perry County 99-305-535-005-401 ALDOT	$ 8,969,692.82
IDIQ Base Year Paving, Ft. Rucker, AL	$ 100,000.00
Downtown Gateway Harvard Road, City of Huntsville	$ 1,643,309.01
Downtown Gateway Harvard Road, City of Huntsville	$ 4,009,473.24
Downtown Gateway Harvard Road, City of Huntsville	$ 2,073,750.63
Cullman County STPAA-0003(581) ALDOT	$ 2,547,011.78

SCHEDULE 6.03

Loans and Advances

Lender	Borrower	Original Amount	Current Amount	Loan Document
Note receivable Highland Park, LLC			$ 1,547,540.19	
Note receivable Brent Wood			$ 207,177.85	
Note receivable S. Styers			$ 77,690.50	

SCHEDULE 6.05

Investments

Investor	Investment	Shares	Capital Amount	Share Type

None

SCHEDULE 6.06

Debt

Lender	Borrowers	Original Amount	Current Amount	Loan Document

None

SCHEDULE 6.07

Liens

Debtor	Secured Party	Filing Number
Construction Partners	Thompson Tractor	20164630115
Construction Partners	IBM Credit LLC	20133678365
Construction Partners	Compass Bank	20150414127
Construction Partners	Bank of Utah, as owner trustee, c/o BBVA Compass Financial Corporation	20161522406
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	10-7102903
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	11-7186623
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	12-7240884
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	12-7240952
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	12-7240969
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	13-7259045
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	13-7269032
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	14-7006239
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	14-7076143
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	14-7262425
Wiregrass Construction Company, Inc.	Komatsu Financial Limited Partnership	14-7490493

Wiregrass Construction Company, Inc.	VFS Leasing Co.	14-7491553
Wiregrass Construction Company, Inc.	Compass Bank	14-0334946
Wiregrass Construction Company, Inc.	VFS Leasing Co.	14-7674206
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	14-7777964
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	14-7777993
Wiregrass Construction Company, Inc. Wiregrass Construction Company, Inc.	Komatsu Financial Limited Partnership	14-7821300
Wiregrass Construction Company, Inc. Wiregrass Construction Company, Inc.	Thompson Tractor Co., Inc.	14-7828307
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	14-7867115
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	14-7872575
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	14-7872922
Wiregrass Construction Company, Inc.	Thompson Tractor Co., Inc.	14-7937433
Wiregrass Construction Company, Inc.	Compass Bank	14-7942072
Wiregrass Construction Company, Inc.	Compass Bank	14-7942709
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	14-7951921
Wiregrass Construction Company, Inc.	Komatsu Financial Limited Partnership	15-7006294
Wiregrass Construction Company, Inc.	Komatsu Financial Limited Partnership	15-7012613

Wiregrass Construction Company, Inc.	The McPherson Companies, Inc.	15-7421140
Wiregrass Construction Company, Inc.	Thompson Tractor Co., Inc.	15-7458342
Wiregrass Construction Company, Inc.	Thompson Tractor Co., Inc.	15-7462661
Wiregrass Construction Company, Inc.	Thompson Tractor Co., Inc.	15-7595746
Wiregrass Construction Company, Inc.	Thompson Tractor Co., Inc.	15-7615359
Wiregrass Construction Company, Inc.	Thompson Tractor Co., Inc.	15-7709511
Wiregrass Construction Company, Inc.	Thompson Tractor Co., Inc.	15-7753066
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	15-7816914
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	15-7816989
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	15-7825008
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	15-7920206
Wiregrass Construction Company, Inc.	Regions Equipment Finance Corporation	16-7049398
Wiregrass Construction Company, Inc.	Thompson Tractor Co., Inc.	16-7091748
Wiregrass Construction Company, Inc.	Regions Equipment Finance Corporation	16-0218023
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	16-7360918
Wiregrass Construction Company, Inc.	Thompson Tractor Co., Inc.	17-7131731
Wiregrass Construction Company, Inc.	Caterpillar Financial Services Corporation	17-7148580

Fred Smith Construction	Compass Bank	20140117606K
FSC II, LLC	Suntrust Equipment Finance & Leasing Corp.	20080034176B
FSC II, LLC	Wells Fargo Equipment Finance, Inc.	20080036522K
FSC II, LLC	Wells Fargo Equipment Finance, Inc.	20080036810K
FSC II, LLC	Wells Fargo Equipment Finance, Inc.	20080039150K
FSC II, LLC	Wells Fargo Equipment Finance, Inc.	20090023854E
FSC II, LLC	Wells Fargo Equipment Finance, Inc.	20090024211B
FSC II, LLC	Deere Credit, Inc.	20090095600B
FSC II, LLC	Wells Fargo Equipment Finance, Inc.	20120104958C
FSC II, LLC	Caterpillar Financial Services Corporation	20140011870F
FSC II, LLC	Caterpillar Financial Services Corporation	20140011873J
FSC II, LLC	Caterpillar Financial Services Corporation	20140011880G
FSC II, LLC	Caterpillar Financial Services Corporation	20140011905E
FSC II, LLC	Caterpillar Financial Services Corporation	20140011911A
FSC II, LLC	Caterpillar Financial Services Corporation	20140011916G
FSC II, LLC	Caterpillar Financial Services Corporation	20140018718C
FSC II, LLC	Caterpillar Financial Services Corporation	20140018719E
FSC II, LLC	Caterpillar Financial Services Corporation	20140018733M

FSC II, LLC	Caterpillar Financial Services Corporation	20140018734A
FSC II, LLC	Caterpillar Financial Services Corporation	20140018737E
FSC II, LLC	Caterpillar Financial Services Corporation	20140018738F
FSC II, LLC	Caterpillar Financial Services Corporation	20140018739G
FSC II, LLC	Caterpillar Financial Services Corporation	20140018740J
FSC II, LLC	Caterpillar Financial Services Corporation	20140033769G
FSC II, LLC	Caterpillar Financial Services Corporation	20140041879H
FSC II, LLC	Gregory Poole Equipment Company	20140046145J
FSC II, LLC	Caterpillar Financial Services Corporation	20140049338F
FSC II, LLC	Caterpillar Financial Services Corporation	20140049339G
FSC II, LLC	Caterpillar Financial Services Corporation	20140049340J
FSC II, LLC	Caterpillar Financial Services Corporation	20140049342M
FSC II, LLC	Caterpillar Financial Services Corporation	20140049343A
FSC II, LLC	Caterpillar Financial Services Corporation	20140065959B
FSC II, LLC	Caterpillar Financial Services Corporation	20140065969C
FSC II, LLC	Caterpillar Financial Services Corporation	20140075917H

FSC II, LLC	Deere Credit, Inc.	20140080473M
FSC II, LLC	Gregory Poole Equipment Company	20140083597M
FSC II, LLC	GE Capital Commercial Inc.	20140106950K
FSC II, LLC	Compass Bank	20140117616M
FSC II, LLC	GE Capital Commercial Inc.	20150002871H
FSC II, LLC	General Electric Credit Corporation of Tennessee	20150013354F
FSC II, LLC	General Electric Credit Corporation of Tennessee	20150025106C
FSC II, LLC	GE Capital Commercial Inc.	20150050327G
FSC II, LLC	GE Capital Commercial Inc.	20150050328H
FSC II, LLC	General Elecric Credit Corporation of Tennessee	20150074225K
FSC II, LLC	CF Equipment Leases, LLC	20150118555E
FSC II, LLC	CF Motor Vehicle Leases, LLC	20150118556F
FSC II, LLC	Wells Fargo Financial Leasing, Inc.	20150121532C
C. W. Roberts Contracting, Incorporated	Wells Fargo Equipment Finance, Inc.	200809595395
C. W. Roberts Contracting, Incorporated	Thompson Tractor Co., Inc.	201402372432
C. W. Roberts Contracting, Incorporated	Thompson Tractor Co., Inc.	201607527535
C. W. Roberts Contracting, Incorporated	Cowin Equipment Company Inc.	201608268991
C. W. Roberts Contracting, Incorporated	Thompson Tractor Co., Inc.	201608937443
C. W. Roberts Contracting, Incorporated	Thompson Tractor Co., Inc.	201609049673

C. W. Roberts Contracting, Incorporated	Compass Bank	201402791729
C. W. Roberts Contracting, Incorporated	Compass Bank	201402796577
Everett Dykes Grassing Co., Inc.	Tractor & Equipment Company Inc.	007-2014-024048
Everett Dykes Grassing Co., Inc.	Compass Bank	012-2014-000276
Everett Dykes Grassing Co., Inc.	Compass Bank	012-2014-000277
Everett Dykes Grassing Co., Inc.	VFS US LLC	038-2015-002251
Everett Dykes Grassing Co., Inc.	Yancey Bros. Co.	011-2015-001628
Everett Dykes Grassing Co., Inc.	Bank of the West	007-2016-005848
Everett Dykes Grassing Co., Inc.	Caterpillar Financial Services Corporation	067-2016-001603
Everett Dykes Grassing Co., Inc.	Flint Equipment Company	011-2016-000561
Everett Dykes Grassing Co., Inc.	BBVA Compass Financial Corporation	007-2016-041656
Everett Dykes Grassing Co., Inc.	Tractor & Equipment Co.	007-2017-004535
Everett Dykes Grassing Co., Inc.	Flint Equipment Company	011-2017-001025
Everett Dykes Grassing Co.	Yancey Bros. Co.	012-2013-000195

SCHEDULE 6.10

Operating Leases

Location	Tenant	Landlord	Lease Agreement	Credit Facility
Construction Partners	Bank of Utah, as Owner Trustee	Raytheon Aircraft Company Model Hawker 800XP aircraft		

C. W. ROBERTS CONTRACTING, INC.
Schedule of Leases

Equip. #	Leased From	Contract #	Equipment Leased
15.R0075	BBVA	0001	Kenworth T800 Dump Truck
15.R0076	BBVA	0001	Kenworth T800 Dump Truck
15.R0077	BBVA	0001	Kenworth T800 Dump Truck
15.R0078	BBVA	0001	Kenworth T800 Dump Truck
15.R0079	BBVA	0001	Kenworth T800 Dump Truck
15.R0080	BBVA	0001	Kenworth T800 Dump Truck
15.R0081	BBVA	0001	Kenworth T800 Dump Truck
15.R0082	BBVA	0001	Kenworth T800 Dump Truck
15.R0095	BBVA	0002	DUMP TRUCK
15.R0096	BBVA	0002	DUMP TRUCK
15.R0097	BBVA	0002	DUMP TRUCK
15.R0098	BBVA	0002	DUMP TRUCK
15.R0099	BBVA	0002	DUMP TRUCK
15.R0100	BBVA	0002	DUMP TRUCK
15.R0119	BBVA	0003	Dump Truck, Kenworth T800 2017
15.R0120	BBVA	0003	Dump Truck, Kenworth T800 2017
15.R0121	BBVA	0003	Dump Truck, Kenworth 2017
15.R0122	BBVA	0003	Dump Truck, Kenworth 2017
15.R0123	BBVA	0003	Dump Truck, Kenworth 2017
15.R0124	BBVA	0003	Dump Truck, Kenworth 2017
15.01351	BBVA	0004	Jeep Grand Cherokee 2016
15.01352	BBVA	0004	Jeep Grand Cherokee 2016
15.01353	BBVA	0004	Dodge Ram 2500 ST
15.01354	BBVA	0004	KENNY WILSON Silverado 2017
15.01355	BBVA	0004	VICTOR SMITH Silverado 2017
15.01356	BBVA	0004	SPARE SILVERADO 2017
15.01357	BBVA	0004	KEVIN FRIERSON Silverado 2017
15.01358	BBVA	0004	KENNY GODWIN Silverado 2017
15.01359	BBVA	0004	William Click Silverado 2017
15.01360	BBVA	0004	Freddie Jackson Silverado 2017
15.01361	BBVA	0004	Casey Hibbard, Silverado 2017
15.01362	BBVA	0004	EVAN DISENSO Silverado 2017
15.01363	BBVA	0004	Jack Gregory Silverado 2017
15.01364	BBVA	0004	Jake Middleton Silverado 2017
15.01365	BBVA	0004	Bob Flowers Tahoe 2017
15.01366	BBVA	0004	Billy Powell Silverado 2017
15.01367	BBVA	0005	JERMEY POWELL SILVERADO 2017
15.01368	BBVA	0005	Brad McNeil, Silverado 2017
15.06033	BBVA	0005	Mechanic Truck Ford F550 w/tool body/crane
15.06034	BBVA	0005	F650 Water Truck for Ashapht Crew w/Body
15.06035	BBVA	0005	F650 Water Truck for Ashapht Crew w/Body
15.21017	BBVA	0005	Distributor Truck

Wiregrass Construction Co.
Schedule of Leases

Lease Payee	Description
Cat Finance (02-031)	D6N CAT Dozer
Cat Finance (06-051)	980K Wheel Loader
Cat Finance (06-052)	980K Wheel Loader
Cat Finance (08-062)	980K Wheel Loader
Cat Finance (06-063)	980K Wheel Loader
Cat Finance (03-036)	349E Excavator
Cat Finance (65-017)	2014 740B Articulated Truck
Cat Finance (65-018)	2014 740B Articulated Truck
Cat Finance (06-065)	982M CAT Loader
Cat Finance (65-019)	740C CAT Articulated Truck - Lambert
Cat Finance (65-020)	740C CAT Articulated Truck - Lambert
Cat Finance (03-039)	349F CAT Excavator - Lambert
Cat Finance (06-068)	980K Wheel Loader
Cat Finance (06-071)	**982K Wheel Loader**
Total Cat Finance	
Volvo Financial Services (65-014)	A40G Volvo Articulated Truck
Volvo Financial Services (06-061)	L220H Volvo Loader
Total Volvo Financial Services	
Komatsu Financial (03-029)	Hydraulic Excavator PC490LC-10
Komatsu Financial (03-035)	PC490LC-10 Komatsu Excavator
Komatsu Financial (65-013)	HM4C0-3 Articulated Truck
Total Komatsu Financial	
Enterprise Fleet Management SFX905 (52-206)	DODGE RAM 1500 CREW 4X4
Enterprise Fleet Management SFX904 (52-207)	DODGE RAM 1500 CREW 4X4
Enterprise Fleet Management SFX906 (52-208)	DODGE RAM 1500 CREW 4X4
Enterprise Fleet Management SFX897 (52-231)	DODGE RAM 1500 CREW (Shorty)
Enterprise Fleet Management SFX866 (52-234)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFX865 (52-239)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFX867 (52-240)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFZ272 (52-248)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management SFZ274 (52-249)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management SFZ278 (52-256)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFZ280 (52-258)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management 224KXZ (52-266)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management 225NR8 (52-279)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management 22DBFM (52-286)	**DODGE RAM 1500 CREW 4 X 4**
Enterprise Fleet Management 22DC7M (52-287)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management 22DC7P (52-288)	**DODGE RAM 1500 CREW 4 X 4**
Enterprise Fleet Management SFZ266 (53-081)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management SFZ267 (53-082)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management SFZ268 (53-083)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management SFZ269 (53-084)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management SFZ284 (53-087)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management SFZ285 (53-088)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB

Wiregrass Construction Co.
Schedule of Leases

Lease Payee	Description
Enterprise Fleet Management SFZ287 (53-089)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management SFZ288 (53-090)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management SFZ289 (53-091)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management 224KXR (53-098)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management SFZ289 (53-099)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management 2278M3 (53-107)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management 22DGNW (54-053)	**DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB**
Enterprise Fleet Management 22DGP3 (54-054)	**DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB**
Enterprise Fleet Management SFX861 (52 235)	DODGE RAM 1500 CREW
Enterprise Fleet Management SFX862 (52-236)	DODGE RAM 1500 CREW
Enterprise Fleet Management SFX863 (52-237)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFX864 (52-238)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFX903 (52-243)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFZ273 (52-250)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management SFZ275 (52-252)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 224KZ9 (52-264)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 224L38 (52-271)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 22DC7P (52-289)	**DODGE RAM 1500 CREW 4 X 2**
Enterprise Fleet Management 22DC6X (52-290)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 22DC72 (52-291)	**DODGE RAM 1500 CREW 4 X 2**
Enterprise Fleet Management 224KX8 (53-103)	DODGE RAM 2600 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management 224KXP (53-105)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management 22549Z (55-032)	DODGE RAM 5500 REG CAB 4 X 2
Enterprise Fleet Management SFX868 (52-241)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFX869 (52-242)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFZ276 (52-254)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management 224KZ7 (52-265)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 224KZ8 (52-270)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 224KZ4 (52-274)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 224KZ3 (52-275)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 224KXJ (52-276)	DODGE RAM 1500 CREW CAB 4 X 4
Enterprise Fleet Management 22DC75 (52-295)	DODGE RAM 1500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management 22DC7Q (52-296)	DODGE RAM 1500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management 22DC71 (52-297)	DODGE RAM 1500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management 22DC7W (52-298)	DODGE RAM 1500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management 22DC8B (52-299)	DODGE RAM 1500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management SFX893 (53-063)	DODGE RAM 2500 CREW 3/4 TON
Enterprise Fleet Management SFX895 (53-064)	DODGE RAM 2500 CREW 3/4 TON
Enterprise Fleet Management SFZ294 (53-096)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management SFZ286 (53-097)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management SFZ286 (53-100)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management SFZ286 (53-101)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management SFZ281 (52-259)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management 224KXJ (52-272)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 22784B (52-280)	DODGE RAM 1500 CREW CAB 4 X 4
Enterprise Fleet Management 224KXF (52-281)	DODGE RAM 1500 CREW CAB 4 X 4
Enterprise Fleet Management 224KXH (52-282)	DODGE RAM 1500 CREW CAB 4 X 4
Enterprise Fleet Management 22DC78 (52-292)	DODGE RAM 1500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management 22DDKL (52-293)	**DODGE RAM 1500 TRADESMAN 4 X 2 CREW CAB**
Enterprise Fleet Management 22DDKM (52-294)	DODGE RAM 1500 TRADESMAN 4 X 4 CREW CAB

Wiregrass Construction Co.
Schedule of Leases

Lease Payee	Description
Enterprise Fleet Management SFZ292 (53-094)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management SFZ293 (53-095)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management 224KXM (53-104)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management SFX871 (52-233)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFZ279 (52-257)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFZ282 (52-260)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFZ283 (52-261)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management SFZ275 (52-262)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 224KXX (52-263)	DODGE RAM 1500 REGULAR CAB 4 X 2
Enterprise Fleet Management 224L3D (52-267)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 224L3J (52-268)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 224L3X (52-269)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 224L3N (52-273)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 224L3K (52-277)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 224L3T (52-278)	DODGE RAM 1500 CREW 4 X 2
Enterprise Fleet Management 22DBFS (52-300)	DODGE RAM 1500 CREW 4 X 4
Enterprise Fleet Management 22DC5X (52-301)	DODGE RAM 1500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management 22DC63 (52-302)	DODGE RAM 1500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management 22DC67 (52-303)	DODGE RAM 1500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management SFX894 (53-060)	DODGE RAM 2500 CREW 3/4 TON
Enterprise Fleet Management SFX896 (53-061)	DODGE RAM 2500 CREW 3/4 TON
Enterprise Fleet Management SFX900 (53-062)	DODGE RAM 2500 CREW 3/4 TON 4 X 4
Enterprise Fleet Management SFZ270 (53-085)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management SFZ271 (53-086)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management SFZ290 (53-092)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management SFZ291 (53-093)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management SFZ291 (53-102)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management 224KXQ (53-106)	DODGE RAM 2500 TRADESMAN 4 X 4 CREW CAB
Enterprise Fleet Management 22DBFZ (53-111)	DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB
Enterprise Fleet Management 22DBG4 (53-112)	**DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB**
Enterprise Fleet Management 22DDZL (53-112)	**DODGE RAM 2500 TRADESMAN 4 X 2 CREW CAB**
Total Enterprise Fleet Management	
BBVA Compass Financial Corp (59-183) - 1100	7600 INTERNATIONAL (Coffman)
BBVA Compass Financial Corp (59-184) - 1100	7600 INTERNATIONAL (Coffman)
BBVA Compass Financial Corp (59-189) - 1100	T880 KENWORTH
BBVA Compass Financial Corp (59-190) - 1100	T880 KENWORTH
BBVA Compass Financial Corp (60-083) - 1100	T880 KENWORTH
BBVA Compass Financial Corp (60-084) - 1100	T880 KENWORTH
BBVA Compass Financial Corp (59-175) - 1175	CT660S CATERPILLAR
BBVA Compass Financial Corp (59-176) - 1125	CT660S CATERPILLAR
BBVA Compass Financial Corp (59-178) - 1175	CT660S CATERPILLAR
BBVA Compass Financial Corp (59-180) - 1175	CT660S CATERPILLAR
BBVA Compass Financial Corp (59-181) - 1175	CT660S CATERPILLAR
BBVA Compass Financial Corp (59-182) - 1125	CT660S CATERPILLAR
BBVA Compass Financial Corp (59-215) - 1125	T880 KENWORTH
BBVA Compass Financial Corp (59-216) - 1125	T880 KENWORTH
BBVA Compass Financial Corp (59-217) - 1125	T880 KENWORTH
BBVA Compass Financial Corp (60-085) - 1125	T880 KENWORTH
BBVA Compass Financial Corp (59-177) - 1150	CT660S CATERPILLAR

Wiregrass Construction Co.
Schedule of Leases

Lease Payee	Description
BBVA Compass Financial Corp (59-179) - 1150	CT660S CATERPILLAR
BBVA Compass Financial Corp (59-192) - 1150	T880 KENWORTH
BBVA Compass Financial Corp (59-218) - 1150	T880 KENWORTH
BBVA Compass Financial Corp (59-219) - 1150	T880 KENWORTH
BBVA Compass Financial Corp (59-220) - 1150	T880 KENWORTH
BBVA Compass Financial Corp (59-221) - 1150	T880 KENWORTH
BBVA Compass Financial Corp (59-222) - 1150	T880 KENWORTH
BBVA Compass Financial Corp (59-223) - 1150	T880 KENWORTH
BBVA Compass Financial Corp (60-089) - 1150	T880 KENWORTH
BBVA Compass Financial Corp (60-095) - 1150	T880 KENWORTH
BBVA Compass Financial Corp (59-191) - 1175	CT660S CATERPILLAR
BBVA Compass Financial Corp (59-224) - 1175	T880 KENWORTH
BBVA Compass Financial Corp (59-225) - 1175	T880 KENWORTH
BBVA Compass Financial Corp (59-226) - 1175	T880 KENWORTH
BBVA Compass Financial Corp (59-185) - 1199	T880 KENWORTH
BBVA Compass Financial Corp (59-186) - 1199	T880 KENWORTH
BBVA Compass Financial Corp (59-187) - 1199	T880 KENWORTH
BBVA Compass Financial Corp (59-188) - 1199	T880 KENWORTH
BBVA Compass Financial Corp (59-213) - 1199	T880 KENWORTH
BBVA Compass Financial Corp (59-214) - 1199	T880 KENWORTH
BBVA Compass Financial Corp (60-086) - 1199	T880 KENWORTH
BBVA Compass Financial Corp (60-091) - 1199	T880 KENWORTH
BBVA Compass Financial Corp (60-092) - 1199	T880 KENWORTH
BBVA Compass Financial Corp (60-093) - 1199	T880 KENWORTH
BBVA Compass Financial Corp (60-094) - 1199	T880 KENWORTH
Total BBVA Compass Financial Corp	
Regions Equipment Finance Corp (59-194) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-195) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-196) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-197) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-198) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-199) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-201) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-202) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-204) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-205) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-206) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-207) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-209) - 1100	T880 KENWORTH
Regions Equipment Finance Corp (59-203) - 1150	T880 KENWORTH
Regions Equipment Finance Corp (59-193) - 1175	T880 KENWORTH
Regions Equipment Finance Corp (59-200) - 1175	T880 KENWORTH
Regions Equipment Finance Corp (59-208) - 1175	T880 KENWORTH
Regions Equipment Finance Corp (59-210) - 1175	T880 KENWORTH
Regions Equipment Finance Corp (59-211) - 1175	T880 KENWORTH
Regions Equipment Finance Corp (59-212) - 1175	T880 KENWORTH
Regions Equipment Finance Corp (60-087) - 1175	T880 KENWORTH
Regions Equipment Finance Corp (60-088) - 1100	T880 KENWORTH

Everett Dykes Grassing Company, Inc.
Schedule of Leases

Lease Payee	Description
Mack Financial Services	2015 Mack GU713 Dump
Mack Financial Services	2015 Mack GU713 Dump
CAT Financial Solutions	2015 140 M3 CAT Grader
BBVA Compass	2016 F550 Mech Truck
Bank of the West	TOPCON HIPER V GGD UHF
Bank of the West	TOPCON HIPER V Base & Rover
BBVA Compass	2015 JD 744K Loader
BBVA Compass	(3) Freightliner DT

Fred Smith Company, LLC.
Schedule of Leases

Lease Payee	Description
Wells Fargo Equip (fka GE Capital)	Crawler Crane - P8K2-2823
Cat Finance	Roller 100 SheepFoot, 14 CS54B
Cat Finance	Roller 100 SheepFoot, 14 CS56B
Cat Finance	Dozer, 13 Cat D5K2LGP
Cat Finance	Backhoe RT, 13 CAT 416
Cat Finance	Dump Off Road, 13 Cat 730
Cat Finance	Dozer, 13 Cat D6N LGP
Cat Finance	Roller 100 SheepFoot, 13 CS56
Cat Finance	Excavator 300, 13 Cat 336
Cat Finance	Dump Off Road, 13 Cat 730
Cat Finance	Excavator 200, 13 Cat 324 w/th
Cat Finance	Dozer, 13 Cat D5 KLGP
Cat Finance	Excavator 300, 13 Cat 336EL
Cat Finance	Loader, 13 CAT 930K
Cat Finance	Excavator 200, 13 CAT 324D
Cat Finance	Dump Off Road, 13 Cat 730
Cat Finance	Dozer, 13 Cat D6T w GPS
Cat Finance	Dozer, 13 Cat D6N LGP
Cat Finance	Dump Off Road, 14 Cat 730C
Cat Finance	Dump Off Road, 14 Cat 730C
Cat Finance	Backhoe, RT 13 CAT 416F
Cat Finance	Backhoe, RT 14 Cat 416F
Cat Finance	Excavator RT, 14 Cat M316
Cat Finance	Excavator 200 13 Cat 336EL
Cat Finance	Motorgrader, 15 Cat 12M3
John Deere	2011 JD 9630 Scraper Tractor
John Deere	2014 Grade King GK14 w/roller
John Deere	2013 JD 1810E Scraper
John Deere	2014 Frontier DH6616C
Wells Fargo Equip (fka GE Capital)	Fuel Truck, 15 Kenworth
Wells Fargo Equip (fka GE Capital)	Paver 8FT, 14 Cat AP600D paver
Wells Fargo Equip (fka GE Capital)	Paver 10FT, 14 Cat AP1055E Asp
Wells Fargo Equip (fka GE Capital)	2010 Komatsu CD110R-2 Crawler Carrier
Wells Fargo Equip (fka GE Capital)	120 Excavator
Wells Fargo Equip (fka GE Capital)	Mini Excavator-50D
Wells Fargo Equip (fka GE Capital)	672 MotorGrader
Wells Fargo Equip (fka GE Capital)	Skid Steer
Wells Fargo Equip (fka GE Capital)	544 Loader with Broam
Weils Fargo Equip (fka GE Capital)	544 Wheel Loader
Wells Fargo Equip (fka GE Capital)	624 Loader
Wells Fargo Equip (fka GE Capital)	550 Dozer
Wells Fargo Equip (fka GE Capital)	750 Doxer w/TOPCON GPS system
Wells Fargo Equip (fka GE Capital)	310SJ RT Backhoe
Wells Fargo Equip (fka GE Capital)	2015 12M3 Motorgrader
Wells Fargo Equip (fka GE Capital)	Paver 10FT, 15 CAT ap1000f
Wells Fargo Equip (fka GE Capital)	Roller 10TN, 15 CAT CB54
Wells Fargo Equip (fka GE Capital)	Roller 10TN, 15 CAT CB54
Wells Fargo Equip (fka GE Capital)	Roller RT, 14 CW14 9 Wheel

Fred Smith Company, LLC.
Schedule of Leases

Lease Payee	Description
Wells Fargo Equip (fka GE Capital)	Loader, 15 CAT 262D Skid Steer
Wells Fargo Equip (fka GE Capital)	09 CAT 12M GRADER
Wells Fargo Equip (fka GE Capital)	09 CAT 12M GRADER
Wells Fargo Equip (fka GE Capital)	14 Freightliner 4000 Gal
Wells Fargo Equip (fka GE Capital)	CAT 320 Excavator
Wells Fargo Equip (fka GE Capital)	2015 CAT 972K Loader
Wells Fargo Equip (fka GE Capital)	14 CAT CC34B
Wells Fargo Equip (fka GE Capital)	14 CAT CB44
Wells Fargo Equip (fka GE Capital)	CAT CS44 Combo Roller
Wells Fargo Equip (fka GE Capital)	CAT CS54 Combo Roller
Wells Fargo Equip (fka GE Capital)	14 WACKER RT82
Wells Fargo Equip (fka GE Capital)	14 WACKER RT82
Wells Fargo Equip (fka GE Capital)	14 WACKER RT82
Wells Fargo Equip (fka GE Capital)	14 WACKER RT82
Wells Fargo Equip (fka GE Capital)	14 WACKER RT82
Wells Fargo Equip (fka GE Capital)	CAT D5K LGP
Wells Fargo Equip (fka GE Capital)	CAT D6T Dozer
Wells Fargo Equip (fka GE Capital)	2015 CAT 730C Off Road Dump
Wells Fargo Equip (fka GE Capital)	2015 CAT 730C Off Road Dump
Wells Fargo Equip (fka GE Capital)	14 Bomag BW145 Combo Roller
Wells Fargo Equip (fka GE Capital)	13 BOMAG 8500 Trench Roller
Wells Fargo Equip (fka GE Capital)	13 BOMAG 8500 Trench Roller
Wells Fargo Equip (fka GE Capital)	13 JD 60G Mini Ex
Wells Fargo Equip (fka GE Capital)	13 JD 180G Excavator
Wells Fargo Equip (fka GE Capital)	13 JD 245G Excavator
Wells Fargo Equip (fka GE Capital)	14 JD210 W/ THUMB
Wells Fargo Equip (fka GE Capital)	13 544K Loader
Wells Fargo Equip (fka GE Capital)	SAKAI Smooth Drum Roller
Wells Fargo Equip (fka GE Capital)	JD550 Dozer
Wells Fargo Equip (fka GE Capital)	JD850 Dozer
Wells Fargo Equip (fka GE Capital)	JD 310K RTBH
Wells Fargo Equip (fka GE Capital)	KOM PC360
Wells Fargo Equip (fka GE Capital)	KOM D61
Duncan Parnell	Hewlett Packard XL 5000
Wells Fargo	8 Xerox copiers / 4 HP printers
BBVA Compass	DUMP TRK, 17 KENWORTH T880 QUAD
BBVA Compass	DUMP TRK, 17 KENWORTH T880 QUAD
BBVA Compass	DUMP TRK, 17 KENWORTH T880 QUAD
BBVA Compass	DUMP TRK, 17 KENWORTH T880 QUAD
BBVA Compass	DUMP TRK, 17 KENWORTH T880 QUAD
BBVA Compass	DUMP TRK, 17 KENWORTH T880 QUAD
BBVA Compass	DUMP TRK, 17 KENWORTH T880 QUAD
BBVA Compass	DUMP TRK, 17 KENWORTH T880 QUAD
BBVA Compass	DUMP TRK, 17 KENWORTH T880 QUAD
BBVA Compass	DUMP TRK, 17 KENWORTH T880 QUAD

EXHIBIT A

FORM OF NOTICE OF BORROWING

Date _____, 20__

Compass Bank, as Agent

_____
_____
_____

Re: Credit Agreement dated June , 2017, by and among Construction Partners, Inc., ("CPI"), certain other borrowers from time to time parties thereto (collectively and including CPI, "Borrowers"), certain of Borrowers' affiliates, Compass Bank, as agent for certain Lenders from time to time parties thereto, and such Lenders (as at any time amended, modified, supplemented or restated, the "Loan Agreement")

Gentlemen:

This Notice of Borrowing is delivered to you pursuant to **Section 2.03** of the Loan Agreement. Unless otherwise defined herein, capitalized terms used herein shall have the meanings attributable thereto in the Loan Agreement. The undersigned Borrower hereby requests a Revolver Borrowing or Term Borrowing (check applicable Borrowing) in the aggregate principal amount of $, to be made on , , which shall be a Base Rate Advance or a Euro-Dollar Advance (check applicable Advance).

If the Revolver/Term Borrowing is a Euro-Dollar Advance, check applicable LIBOR Rate below (to apply to the entire amount advanced in connection with this Notice of Borrowing):

1 month __, 2 month __, 3 month __, 6 month __, 9 month __, 12 month __

If the Revolver Borrowing is a Euro-Dollar Advance, check applicable LIBOR Rate below (to apply to the entire amount advanced in connection with this Notice of Borrowing):

1 month __, 2 month __, 3 month __, 6 month __, 9 month __, 12 month

If the Borrowing is a Revolver Borrowing, the borrowing amount is to be allocated to the Borrowers for sublimit purposes as follows:

Construction Partners:_____
Wiregrass Construction:_____
____FSC:_____
____Roberts Contracting_____
____Everett Dykes:_____

Please credit the entire borrowing amount to the following account:
Bank name:_____
Routing number (if wiring funds):_____
Account number:_____
Account name:_____

Borrower hereby ratifies and reaffirms all of its liabilities and obligations under the Loan Documents and hereby certifies that no Default or Event of Default exists on the date hereof.

Borrower has caused this Notice of Borrowing to be executed and delivered by its duly authorized representative, this day of , 20 .

By: _____

Title: _____

[CORPORATE SEAL]

EXHIBIT B-1

FORM OF REVOLVER NOTE

REVOLVER NOTE

U.S. $ _____ June ____, 2017
Birmingham, Alabama

FOR VALUE RECEIVED, the undersigned, **CONSTRUCTION PARTNERS, INC.,** a Delaware corporation ("Construction Partners"), **WIREGRASS CONSTRUCTION COMPANY, INC.,** an Alabama corporation ("Wiregrass Construction"), **FRED SMITH CONSTRUCTION, INC.,** a North Carolina corporation ("Fred Smith Construction"), **FSC II, LLC,** a North Carolina limited liability company ("FSC"), **C. W. ROBERTS CONTRACTING, INCORPORATED,** a Florida corporation ("Roberts Contracting"), and **EVERETT DYKES GRASSING CO., INC.,** a Georgia corporation ("Everett Dykes"; and together with Construction Partners, Wiregrass Construction, Fred Smith Construction, FSC and Roberts Contracting, the "Borrowers," and individually as a "Borrower"), hereby unconditionally, and jointly and severally, as provided under and subject to any limitations found in **Section 2.18** of the Loan Agreement, promise to pay to the order of (herein, together with any subsequent holder hereof, called the "Holder") the principal sum of $ or such lesser sum as may constitute Holder's Pro Rata share of the outstanding principal amount of all Revolver Borrowings pursuant to the terms of the Loan Agreement (as defined below) on the date on which such outstanding principal amounts become due and payable pursuant to **Section 2.06** of the Loan Agreement, in strict accordance with the terms thereof. Borrowers likewise unconditionally, and jointly and severally, as provided under and subject to any limitations found in **Section 2.18** of the Loan Agreement, promise to pay Holder interest from and after the date hereof on Holder's Pro Rata share of the outstanding principal amount of Revolver Borrowings at such interest rates, payable at such times, and computed in such manner as are specified in **Sections 2.06** and **2.07** of the Loan Agreement, in strict accordance with the terms thereof.

This Revolver Note ("Note") is issued pursuant to, and is a "Revolver Note" referenced in, the Credit Agreement dated June , 2017 (as at any time amended, modified, supplemented or restated, the "Loan Agreement"), among Borrowers, Compass Bank, as agent (in such capacity, together with its successors in such capacity, the "Agent") for itself and the financial institutions from time to time parties thereto as lenders ("Lenders"), and such Lenders, and Holder is and shall be entitled to all benefits thereof and of all Loan Documents executed and delivered in connection therewith. This Note is subject to certain restrictions on transfer or assignment as provided in the Loan Agreement. All capitalized terms used herein, unless otherwise defined herein, shall have the meanings ascribed to such terms in the Loan Agreement. The repayment of the principal balance of this Note is subject to the provisions of **Section 2.06** of the Loan Agreement. The entire unpaid principal balance and all accrued interest on this Note shall be due and payable immediately upon the termination of the Commitments as set forth in **Section 7.02** of the Loan Agreement.

All payments of principal and interest shall be made in Dollars in immediately available funds to Agent for Holder's benefit as specified in the Loan Agreement.

Upon or after the occurrence of an Event of Default, the principal balance and all accrued interest of this Note may be declared (or shall become) due and payable in the manner and with the effect provided in the Loan Agreement, and the unpaid principal balance hereof shall bear interest at the Default Rate as and when provided in **Section 2.07** of the Loan Agreement. Borrowers jointly and severally agree to pay, and save Holder harmless against, any liability for the payment of, all costs and expenses, including, but not limited to, reasonable attorneys' fees, if this Note is collected by or through an attorney-at-law.

All principal amounts of Revolver Borrowings made by Holder to Borrowers pursuant to the Loan Agreement, and all accrued and unpaid interest thereon, shall be deemed outstanding under this Note and shall continue to be owing by Borrowers until paid in accordance with the terms of this Note and the Loan Agreement.

In no contingency or event whatsoever, whether by reason of advancement of the proceeds hereof or otherwise, shall the amount paid or agreed to be paid to Holder for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permissible under any law which a court of competent jurisdiction may deem applicable hereto; and, in the event of any such payment inadvertently paid by Borrowers or inadvertently received by Holder, such excess sum shall be, at Borrowers' option, returned to Borrowers forthwith or credited as a payment of principal, but shall not be applied to the payment of interest. It is the intent hereof that Borrowers not pay or contract to pay, and that Holder not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by Borrowers under Applicable Law.

Time is of the essence of this Note. To the fullest extent permitted by Applicable Law, each Borrower, for itself and its legal representatives, successors and assigns, expressly waives presentment, demand, protest, notice of dishonor, notice of non-payment, notice of maturity, notice of protest, presentment for the purpose of accelerating maturity, diligence in collection, and the benefit of any exemption or insolvency laws.

Wherever possible each provision of this Note shall be interpreted in such a manner as to be effective and valid under Applicable Law, but if any provision of this Note shall be prohibited or invalid under Applicable Law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or remaining provisions of this Note. No delay or failure on the part of Holder in the exercise of any right or remedy hereunder shall operate as a waiver thereof, nor as an acquiescence in any default, nor shall any single or partial exercise by Holder of any right or remedy preclude any other right or remedy. Agent, at its option, may enforce its rights against any Collateral securing this Note without Agent or Holder enforcing its rights against any Borrower, any Guarantor of the indebtedness evidenced hereby or any other property or indebtedness due or to become due to any Borrower. Each Borrower agrees that, without releasing or impairing any Borrower's liability hereunder, Agent may at any time release, surrender, substitute or exchange any Collateral securing this Note and may at any time release any party primarily or secondarily liable for the indebtedness evidenced by this Note.

The rights of Holder and obligations of Borrowers hereunder shall be construed in accordance with and governed by the laws (without giving effect to the conflict of law principles thereof) of the State of New York. This Note is intended to take effect as an instrument under seal under New York law.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each Borrower has caused this Note to be executed under seal and delivered by its duly authorized officers on the date first above written.

BORROWERS:

CONSTRUCTION PARTNERS, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

WIREGRASS CONSTRUCTION COMPANY, INC.,
an Alabama corporation

By: _____
Name: _____
Title: _____

C. W. ROBERTS CONTRACTING, INCORPORATED,
a Florida corporation

By: _____
Name: _____
Title: _____

FRED SMITH CONSTRUCTION, INC.,
a North Carolina corporation

By: _____
Name: _____
Title: _____

EVERETT DYKES GRASSING CO., INC.,
a Georgia corporation

By: _____
Name: _____
Title: _____

FSC II, LLC,
a North Carolina limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT B-2

FORM OF TERM LOAN NOTE

TERM LOAN NOTE

U.S. $ _____ June ____, 2017
Birmingham, Alabama

FOR VALUE RECEIVED, the undersigned, **CONSTRUCTION PARTNERS, INC.,** a Delaware corporation ("Construction Partners"), **WIREGRASS CONSTRUCTION COMPANY, INC.,** an Alabama corporation ("Wiregrass Construction"), **FRED SMITH CONSTRUCTION, INC.,** a North Carolina corporation ("Fred Smith Construction"), **FSC II, LLC,** a North Carolina limited liability company ("FSC"), **C. W. ROBERTS CONTRACTING, INCORPORATED,** a Florida corporation ("Roberts Contracting"), and **EVERETT DYKES GRASSING CO., INC.,** a Georgia corporation ("Everett Dykes"; and together with Construction Partners, Wiregrass Construction, Fred Smith Construction, FSC and Roberts Contracting, the "Borrowers," and individually as a "Borrower"), hereby unconditionally, and jointly and severally, as provided under and subject to any limitations found in **Section 2.18** of the Loan Agreement, promise to pay to the order of (herein, together with any subsequent holder hereof, called the "Holder") the principal sum of $ pursuant to the terms of the Loan Agreement (as defined below) on the date on which such outstanding principal amounts become due and payable pursuant to **Section 2.06** of the Loan Agreement, in strict accordance with the terms thereof. Borrowers likewise unconditionally, and jointly and severally, as provided under and subject to any limitations found in **Section 2.18** of the Loan Agreement, promise to pay Holder interest from and after the date hereof on Holder's Pro Rata share of the outstanding principal amount of Term Loan Borrowings at such interest rates, payable at such times, and computed in such manner as are specified in **Sections 2.06** and **2.07** of the Loan Agreement, in strict accordance with the terms thereof.

This Term Loan Note ("Note") is issued pursuant to, and is a "Term Loan Note" referenced in, the Credit Agreement dated June , 2017 (as at any time amended, modified, supplemented or restated, the "Loan Agreement"), among Borrowers, Compass Bank, as agent (in such capacity, together with its successors in such capacity, the "Agent") for itself and the financial institutions from time to time parties thereto as lenders ("Lenders"), and such Lenders, and Holder is and shall be entitled to all benefits thereof and of all Loan Documents executed and delivered in connection therewith. This Note is subject to certain restrictions on transfer or assignment as provided in the Loan Agreement. All capitalized terms used herein, unless otherwise defined herein, shall have the meanings ascribed to such terms in the Loan Agreement. The repayment of the principal balance of this Note is subject to the provisions of **Section 2.06** of the Loan Agreement. The entire unpaid principal balance and all accrued interest on this Note shall be due and payable on the Term Loan Maturity Date.

All payments of principal and interest shall be made in Dollars in immediately available funds to Agent for Holder's benefit as specified in the Loan Agreement.

Upon or after the occurrence of an Event of Default, the principal balance and all accrued interest of this Note may be declared (or shall become) due and payable in the manner and with the effect provided in the Loan Agreement, and the unpaid principal balance hereof shall bear interest at the Default Rate as and when provided in **Section 2.07** of the Loan Agreement. Borrowers jointly and severally agree to pay, and save Holder harmless against, any liability for the payment of, all costs and expenses, including, but not limited to, reasonable attorneys' fees, if this Note is collected by or through an attorney-at-law.

All principal amounts of Term Loan Borrowings made by Holder to Borrowers pursuant to the Loan Agreement, and all accrued and unpaid interest thereon, shall be deemed outstanding under this Note and shall continue to be owing by Borrowers until paid in accordance with the terms of this Note and the Loan Agreement.

In no contingency or event whatsoever, whether by reason of advancement of the proceeds hereof or otherwise, shall the amount paid or agreed to be paid to Holder for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permissible under any law which a court of competent jurisdiction may deem applicable hereto; and, in the event of any such payment inadvertently paid by Borrowers or inadvertently received by Holder, such excess sum shall be, at Borrowers' option, returned to Borrowers forthwith or credited as a payment of principal, but shall not be applied to the payment of interest. It is the intent hereof that Borrowers not pay or contract to pay, and that Holder not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by Borrowers under Applicable Law.

Time is of the essence of this Note. To the fullest extent permitted by Applicable Law, each Borrower, for itself and its legal representatives, successors and assigns, expressly waives presentment, demand, protest, notice of dishonor, notice of non-payment, notice of maturity, notice of protest, presentment for the purpose of accelerating maturity, diligence in collection, and the benefit of any exemption or insolvency laws.

Wherever possible each provision of this Note shall be interpreted in such a manner as to be effective and valid under Applicable Law, but if any provision of this Note shall be prohibited or invalid under Applicable Law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or remaining provisions of this Note. No delay or failure on the part of Holder in the exercise of any right or remedy hereunder shall operate as a waiver thereof, nor as an acquiescence in any default, nor shall any single or partial exercise by Holder of any right or remedy preclude any other right or remedy. Agent, at its option, may enforce its rights against any Collateral securing this Note without Agent or Holder enforcing its rights against any Borrower, any Guarantor of the indebtedness evidenced hereby or any other property or indebtedness due or to become due to any Borrower. Each Borrower agrees that, without releasing or impairing any Borrower's liability hereunder, Agent may at any time release, surrender, substitute or exchange any Collateral securing this Note and may at any time release any party primarily or secondarily liable for the indebtedness evidenced by this Note.

The rights of Holder and obligations of Borrowers hereunder shall be construed in accordance with and governed by the laws (without giving effect to the conflict of law principles thereof) of the State of New York. This Note is intended to take effect as an instrument under seal under New York law.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each Borrower has caused this Note to be executed under seal and delivered by its duly authorized officers on the date first above written.

BORROWERS:

CONSTRUCTION PARTNERS, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

WIREGRASS CONSTRUCTION COMPANY, INC.,
an Alabama corporation

By: _____
Name: _____
Title: _____

C. W. ROBERTS CONTRACTING, INCORPORATED,
a Florida corporation

By: _____
Name: _____
Title: _____

FRED SMITH CONSTRUCTION, INC.,
a North Carolina corporation

By: _____
Name: _____
Title: _____

EVERETT DYKES GRASSING CO., INC.,
a Georgia corporation

By: _____
Name: _____
Title: _____

FSC II, LLC,
a North Carolina limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT C

CLOSING AND INCUMBENCY CERTIFICATE
(_____)

Dated: June ____, 2017

The undersigned, being the [President] and the [Secretary] of (" "), hereby give this certificate to induce **COMPASS BANK,** a bank organized under the laws of the State of Alabama, in its capacity as agent (together with its successors in such capacity, "Agent") for the Lenders (as identified below) and such Lenders to enter into that certain Credit Agreement dated as of even date herewith (as at any time amended, modified, supplemented or restated, the "Loan Agreement"), among CONSTRUCTION PARTNERS, INC., an Alabama corporation ("Construction Partners"), WIREGRASS CONSTRUCTION COMPANY, INC., an Alabama corporation ("Wiregrass Construction"), FRED SMITH CONSTRUCTION, INC., a North Carolina corporation ("Fred Smith Construction"), FSC II, LLC, a North Carolina limited liability company ("FSC"), C. W. ROBERTS CONTRACTING, INCORPORATED, a Florida corporation ("Roberts Contracting"), EVERETT DYKES GRASSING CO., INC., a Georgia corporation ("Everett Dykes"; and together with Construction Partners, Wiregrass Construction, Fred Smith Construction, FSC and Roberts Contracting, the "Borrowers" and individually, a "Borrower"), the Agent, certain financial institutions party thereto from time to time as lenders (the "Lenders") and the other parties thereto from time to time, and to continue to provide certain financial accommodations to the Borrowers pursuant to the Loan Agreement, that certain Security Agreement dated as of even date herewith executed by the Borrowers in favor of Agent (as at any time amended, modified, supplemented or restated, the "Security Agreement"), and the other agreements, instruments and documents executed in connection therewith (collectively, the "Loan Documents").

The undersigned hereby certify on behalf of and not in their individual capacities to Agent and Lenders that:

(1) They are, respectively, the **[President]** and the **[Secretary]** of ;

(2) is a [corporation/limited liability company] duly organized, validly existing and in good standing under the laws of , with full power and authority to execute and deliver and to carry out and perform its obligations under the Loan Agreement, the Security Agreement and the other Loan Documents to which it is a party;

(3) The representations and warranties contained in the Loan Agreement, the Security Agreement, and the other Loan Documents are true and correct in all material respects on and as of the Closing Date except to the extent such representation and warranty refers to an earlier date, in which case it is true and correct as of such earlier date;

(4) To the best of our knowledge, no event has occurred that would constitute a Default or Event of Default under the Loan Agreement, the Security Agreement, or the other Loan Documents immediately following the closing of the Loan;

(5) Attached hereto as Exhibit A, is a true, correct and complete copy of the [Certificate of Incorporation] of and all amendments thereto, each of which remains in full force and effect as of the date hereof;

(6) Attached hereto as Exhibit B, is a true, correct and complete copy of the [bylaws] of and all amendments thereto, each of which remains in full force and effect as of the date hereof;

(7) Each of the Loan Documents to which is a party has been duly authorized, executed and delivered by and on behalf of ;

(8) Attached hereto as Exhibit C is a true, correct and complete copy of the resolutions duly adopted by the [directors/members] of authorizing the execution, delivery and performance of the Loan Agreement and other Loan Documents to which is a party, and the consummation of the transactions contemplated thereby, which are in full force and effect, have been duly ratified and affirmed by the directors of in the form set forth therein, and were duly adopted in accordance with the provisions of the Operating Documents (as defined in the Loan Agreement) of ;

(9) Attached hereto as Exhibit D is a true and correct copy of a certificate of good standing and existence of issued by the Secretary of State on ;

(10) Set forth below is the name and signature of the duly elected, qualified and acting officer of , holding on the date hereof the office set forth opposite his name, who is authorized to sign all loan agreements, guaranties, security agreements, instruments, assignments, pledges, mortgages, security deeds, deeds of trust, negative pledge agreements and other documents between and Agent or Lenders:

Name	Title	Signature

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned have set their hands on behalf of and the corporate seal of , on the date first set forth above.

[Name, Title]

[Name, Title]

[CORPORATE SEAL]

EXHIBIT A

[Certificate of Incorporation] of [_____]

(See attached.)

EXHIBIT B

[Bylaws] of [_____]

(See attached.)

EXHIBIT C

Authorizing Resolutions of [_____]

(See attached.)

EXHIBIT D

Certificate of Existence and Good Standing of [_____]

(See attached.)

EXHIBIT D

OFFICER'S CERTIFICATE
OF

_____

To: Compass Bank
2872 West Main Street
Dothan, AL 36305
Attn. Jeff Williams

To assist you in your evaluation of the financing that you are considering providing to us, to expedite the preparation of any documentation which may be required, and to induce you to provide such financing, the undersigned submits and represents the following information about our company, its organizational structure and other matters of interest to you:[1]

1. The full and correct name of our company is:

_____

2. The Company was organized on , under the laws of as a [*check as applicable*]: corporation , partnership , limited liability company , and it is in good standing under those laws. The Company has qualified to do business in the following states and is in good standing under the laws of those states:

_____

_____

_____

3. The federal taxpayer identification number of the Company is:_____

4. The Company is affiliated with, or has ownership interests in, the following entities (including subsidiaries) (*if none, so state)*:

Name and Address	Type of Operation	Ownership Percentage or Relationship

[1] If the space provided is inadequate to fully describe the requested information, please note "continued" in the appropriate space and complete your answer on additional pages, each labeled with the number of the item for which your answer is being completed.

5. The chief executive office and principal place of business of the Company is:

Street Address _____ County _____

City or Town _____ State _____ Zip Code _____

6. The address at which the Company maintains its books and records pertaining to accounts and inventory is:

Street Address _____ County _____

City or Town _____ State _____ Zip Code _____

7. The Company owns real property at the following locations *(if none, so state):*

Street Address City County State Zip Code

Street Address City County State Zip Code

Street Address City County State Zip Code

8. The Company maintains property at the following leased locations and under leases with the following landlords *(if none, so state):*

a. Street Address _____ City _____ County _____ State _____ Zip Code _____

Landlord's Name _____ Street Address _____ City _____ State _____ Zip Code _____

b. Street Address _____ City _____ County _____ State _____ Zip Code _____

Landlord's Name _____ Street Address _____ City _____ State _____ Zip Code _____

c. _____

Street Address City County State Zip Code

_____

Landlord's Name Street Address City State Zip Code

9. In addition to all of the locations set forth in paragraphs 5, 6, 7 and 8 above, the Company maintains property or places of business at the following addresses (please specify if such addresses are owned or operated by a warehouseman, processor, consignee or other third party and, if so, the name and address of such third party) *(if none, so state):*

Street Address City County State Zip Code

Street Address City County State Zip Code

Street Address City County State Zip Code

Street Address City County State Zip Code

10. In addition to all of the locations set forth in paragraphs 5, 6, 7, 8 and 9 above, during the last five (5) years the Company has maintained property or places of business at the following addresses *(if none, so state):*

Street Address City County State Zip Code

Street Address City County State Zip Code

11. [*Check as applicable*]:

☐ Attached hereto is a copy of all agreements among the shareholders, members or partners of the Company_____ ; *or*

☐ No agreements exist among shareholders, members or partners of the Company_____.

12. The following collectively own 100% of the voting stock, membership interests or partnership interests in the Company:

Name	Ownership Percentage
_____	_____
_____	_____
_____	_____

13. The officers or managers of the Company are as follows:

Chairman of the Board/Manager: _____
Name

President/Manager: _____
Name

Vice President/Manager: _____
Name

Treasurer/Manager: _____
Name

Secretary/Manager: _____
Name

Assistant Secretary/Manager: _____
Name

14. The following persons will have signatory powers as to all your transactions with the Company:

_____

_____

_____

15. With respect to the officers or managers noted in paragraph 13 above, such persons are affiliated with or have ownership in the following entities*(if none, so state)*:

Name of Company	Nature of Affiliation
_____	_____
_____	_____
_____	_____

16. The Company uses the following customs brokers and freight forwarders with respect to the Company's inventory and goods:

Name of Firm: _____

Address: _____

Phone Number: _____

Contact: _____

Name of Firm: _____

Address: _____

Phone Number: _____

Contact: _____

Name of Firm: _____

Address: _____

Phone Number: _____

Contact: _____

17. The Company is represented by the law firm of:

Name of Firm: _____

Address: _____

Phone Number: _____

Partner Handling Relationship: _____

18. The Certified Public Accountants for the Company is the firm of:

Name of Firm: _____

Address: _____

Phone Number: _____

Partner Handling Relationship: _____

Were statements uncertified for any fiscal year?_____

19. There are no tax liens or judgments against the Company, its subsidiaries or affiliates or any of its officers, managers or members, except as follows *(if none, so state)*:

_____

_____

20. There are no lawsuits pending against the Company, its subsidiaries or affiliates or any of its officers, managers or members, except as follows *(if none, so state)*:

Style of Lawsuit	Court	Nature of Action

21. The following is a complete list of all bank accounts (including securities and commodities accounts) maintained by the Company:

Bank	Bank Address	Type of Account	Account Number

22. Attached hereto are correct and complete copies of the following (*strike the descriptions of any documents not attached)*:

    a. The articles of incorporation and bylaws (if a corporation), operating agreement and articles of organization (if limited liability company, or certificate of partnership and partnership agreement (if a limited partnership) of the Company, and all agreements (if any) among shareholders, members or partners of the Company.

    b. All deeds evidencing the Corporation's ownership of real property, title insurance policies issued in connection with such ownership or loans on such property and the most recent plat of survey of such property.

    c. All surveys, audits and reports regarding environmental concerns with respect to any real or personal property owned, leased, occupied or operated by the Company.

Prompt written notice will be given you of any change or amendment with respect to any of the foregoing. Until such notice is received to you, you shall be entitled to rely upon the foregoing in all respects.

Very truly yours,

_____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

SCHEDULE 1
to Officer's Certificate of

EXHIBIT E

FORM OF COMPLIANCE CERTIFICATE

COMPLIANCE CERTIFICATE

This certificate (the "Certificate") is delivered pursuant to Section 5.01 (f) of the Credit Agreement dated June , 2017, between **CONSTRUCTION PARTNERS, INC.,** a Delaware corporation ("Construction Partners"), **WIREGRASS CONSTRUCTION COMPANY, INC.,** an Alabama corporation ("Wiregrass Construction"), **FRED SMITH CONSTRUCTION, INC.,** a North Carolina corporation ("Fred Smith Construction"), **FSC II, LLC,** a North Carolina limited liability company ("FSC"), **C. W. ROBERTS CONTRACTING, INCORPORATED,** a Florida corporation ("Roberts Contracting"), and **EVERETT DYKES GRASSING CO., INC.,** a Georgia corporation ("Everett Dykes"; and together with Construction Partners, Wiregrass Construction, Fred Smith Construction, FSC and Roberts Contracting, the "Borrowers" and individually a "Borrower"), **COMPASS BANK** (the "Agent"), as agent, and certain other lenders a party thereto, as the same may be amended or supplemented from time to time, being herein referred to as the Credit Agreement. All capitalized terms used in this Certificate which are defined in the Credit Agreement are used in this Certificate with the same meanings given such terms in the Credit Agreement.

We hereby certify, to the best of our knowledge and belief and in our representative capacity on behalf of the Borrowers, to the Agent as follows:

1. I am the duly elected or appointed and acting (Title) of the Borrower.

2. I have reviewed the consolidated financial statements of the Borrower as of and for the period ending attached hereto as Exhibit I, which were prepared in accordance with GAAP, consistently applied, and are true and correct in all material aspects and fairly present the financial position and results and operations of the Borrower.

3. The Representations and Warranties set forth in Section 4 of the Credit Agreement are true and correct as of the date hereof.

4. I further certify that the Borrower is in compliance (unless otherwise specified) with all covenants set forth in the Credit Agreement and any Schedules thereto, and specifically the covenants listed below.

	Required by Credit Agreement	Actual	In Compliance? Yes/No
Consolidated Leverage Ratio	2.0 To 1	_____	☐ Yes ☐ No
Fixed Charge Coverage Ratio	1.20 To 1	_____	☐ Yes ☐ No

5. As of the date hereof, no Default or Event of Default under the Credit Agreement and any Schedules thereto has occurred (except as specified on Exhibit II, attached hereto, which Exhibit II also sets forth any corrective action taken or proposed to be taken with respect to such Default or Event of Default).

In Witness Whereof, I have caused this Certificate to be executed and delivered to the Agent this day of , .

Witness:

_____

_____
Signature of Officer, Manager, General Partner

_____
Print Name

_____
Title

Attach Exhibit I and II.

EXHIBIT F

FORM OF JOINDER AGREEMENT

This **JOINDER AGREEMENT** ("Joinder Agreement"), dated as of , by and between , a ("New Guarantor") and **COMPASS BANK,** a bank organized under the laws of the State of Alabama, in its capacity as administrative agent for itself and various financial institutions (Lenders") (together with its successors or assigns in such capacity, "Agent"), relates to that certain Credit Agreement dated June , 2017 (as at any time amended, modified, supplemented or restated, the "Loan Agreement"), among **CONSTRUCTION PARTNERS, INC.,** a Delaware corporation ("Construction Partners"), **WIREGRASS CONSTRUCTION COMPANY, INC.,** an Alabama corporation ("Wiregrass Construction"), **FRED SMITH CONSTRUCTION, INC.,** a North Carolina corporation ("Fred Smith Construction"), **FSC II, LLC,** a North Carolina limited liability company ("FSC"), **C. W. ROBERTS CONTRACTING, INCORPORATED,** a Florida corporation ("Roberts Contracting"), and **EVERETT DYKES GRASSING CO., INC.,** a Georgia corporation ("Everett Dykes"; and together with Construction Partners, Wiregrass Construction, Fred Smith Construction, FSC and Roberts Contracting, the "Borrowers" and individually a "Borrower"), Lenders, and Agent. Capitalized terms used herein, unless otherwise defined herein, shall have the meanings ascribed to them in the Loan Agreement. The terms "herein," "hereof" and "hereunder" and other words of similar import refer to this Joinder Agreement as a whole and not to any particular section, paragraph or subdivision. All references to any Person shall mean and include the successors and permitted assigns of such Person. All references to any of the Loan Documents shall include any and all amendments or modifications thereto and any and all restatements, extensions or renewals thereof. Wherever the word "including" shall appear in this Joinder Agreement, such word shall be understood to mean "including, without limitation."

Agent and Lenders have made and are making Advances and other extensions of credit to Borrowers pursuant to the terms of the Loan Agreement and the other Loan Documents. Pursuant to **Article X** of the Loan Agreement, Guarantors have unconditionally and absolutely guaranteed to the Secured Parties the due and punctual payment, performance and discharge of all of the Obligations of Borrowers or any other Loan Party.

Pursuant to that certain dated the date hereof, Agent and Lenders have consented to the acquisition by of % of the Equity Interests of , subject to the execution by New Guarantor of this Joinder Agreement in order to cause New Guarantor to become a party to, and be bound by, all of the terms of **Article X** of the Loan Agreement as if on the Closing Date New Guarantor had been an original signatory and party to the Loan Agreement and other Loan Documents to which the Existing Guarantors are parties. As such, New Guarantor is executing this Joinder Agreement, at Agent's and Lenders' request and with the Agent's and Lenders' consent, in order to induce Agent and Lenders to continue extending credit to or for the benefit of Borrowers.

NOW, THEREFORE, for Ten Dollars ($10.00) in hand paid and other good and valuable consideration, receipt whereof is severally acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. By its signature below, New Guarantor hereby agrees that it is a "Guarantor" under, bound by and subject to all of the provisions of the Loan Agreement, including **Article X** of the Loan Agreement, and other Loan Documents to which the Existing Guarantors are parties, with the same force and effect as if New Guarantor were an original signatory thereto on the Closing Date, and New Guarantor hereby agrees to abide by and perform all of its obligations as a "Guarantor" under the Loan

Agreement, including **Article X** of the Loan Agreement, and the other Loan Documents. Each reference to "Guarantor" or "Guarantors" in the Loan Agreement and the other Loan Documents shall be understood to mean and include New Guarantor as well as the Existing Guarantors. The terms of the Loan Agreement are hereby incorporated into this Joinder Agreement by reference.

2. In addition to the provisions of **Article X** of the Loan Agreement, New Guarantor unconditionally and absolutely guarantees to the Secured Parties the due and punctual payment, performance and discharge (whether upon stated maturity, demand, acceleration or otherwise in accordance with the terms thereof) of all of the Obligations of Borrowers or any other Loan Party now or hereafter existing, whether for principal, interest, fees, expenses or otherwise, regardless of whether recovery upon any of such Obligations becomes barred by any statute of limitations, is void or voidable under any law relating to fraudulent obligations or otherwise, is or becomes invalid or unenforceable for any other reason, or is unrecoverable in any Insolvency Proceeding of an Loan Party (whether pursuant to 11 U.S.C. § 506 or otherwise).

3. New Guarantor represents and warrants to Agent and Lenders that owns % of the Equity Interests of ; and this Joinder Agreement has been duly authorized, executed and delivered by New Guarantor and constitutes a legal, valid and binding obligation of New Guarantor enforceable against it in accordance with its terms, except as enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

4. Except as otherwise expressly provided in this Joinder Agreement, nothing herein shall be deemed to amend or modify any provision of any of the Loan Documents, each of which shall remain in full force and effect. This Joinder Agreement is not intended to be, nor shall it be construed to create, a novation or accord and satisfaction. If any provision in or obligation under this Joinder Agreement shall be invalid, illegal or otherwise unenforceable in any jurisdiction, then the validity, legality and enforceability of the remaining provisions or obligations shall not in any way be affected or impaired thereby.

5. In addition to this Joinder Agreement, New Guarantor agrees to execute any and all additional documents required under the Loan Agreement or reasonably requested by Agent.

6. New Guarantor, jointly and severally with Borrowers and the Existing Guarantors, agrees to reimburse Agent and Lenders for their respectiveout-of-pocket expenses in connection with the preparation, execution and delivery of this Joinder Agreement, including reasonable fees, disbursements and other charges of counsel for Agent and Lenders.

7. This Joinder Agreement, together with the Loan Documents and all other instruments, agreements and certificates executed by the parties in connection therewith or with reference thereto, embody the entire understanding and agreement among the parties with respect to the subject matter thereof.

8. New Guarantor shall receive notices and other communications at the address set forth on the signature page hereof.

9. This Joinder Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all of such counterparts shall constitute but one and the same instrument.

10. This Joinder Agreement shall be effective when accepted by Agent (New Guarantor hereby waiving notice of such acceptance) and thereupon shall be deemed to be a contract governed by and construed and enforced in accordance with the laws of the State of New York.

11. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

[Remainder of page left intentionally blank; signature page to follow.]

IN WITNESS WHEREOF, New Guarantor and Agent have duly executed this Joinder Agreement, under seal as of the day and year first written above.

NEW GUARANTOR:

_____

By: _____
Title: _____

Address:

_____

_____

_____

Attention: _____
Telecopier: (____) _____

AGENT:

COMPASS BANK, as Agent

By: _____
Title: _____

EXHIBIT G

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

Reference is made to the Credit Agreement dated June , 2017, (as at any time amended, modified, supplemented or restated, the "Loan Agreement"), among **CONSTRUCTION PARTNERS, INC.,** a Delaware corporation ("Construction Partners"), **WIREGRASS CONSTRUCTION COMPANY, INC.,** an Alabama corporation ("Wiregrass Construction"), **FRED SMITH CONSTRUCTION, INC.,** a North Carolina corporation ("Fred Smith Construction"), **FSC II, LLC**, a North Carolina limited liability company ("FSC"), **C. W. ROBERTS CONTRACTING, INCORPORATED**, a Florida corporation ("Roberts Contracting"), and **EVERETT DYKES GRASSING CO., INC.,** a Georgia corporation ("Everett Dykes"; and together with Construction Partners, Wiregrass Construction, Fred Smith Construction, FSC and Roberts Contracting, the "Borrowers" and individually a "Borrower"); the various financial institutions listed on the signature pages of the Loan Agreement (as at any time amended) (together with their respective successors and permitted assigns, the "Lenders"); and **COMPASS BANK,** a bank organized under the laws of the State of Alabama, in its capacity as agent for the Lenders (together with its successors in such capacity, "Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Loan Agreement.

_____ (the "Assignor") and _____ (the "Assignee") agree as follows:

1. Assignor hereby assigns to Assignee and Assignee hereby purchases and assumes from Assignor (i) a principal amount of $ of the outstanding Revolver Advances held by Assignor, a principal amount of $ of the outstanding Term Loan Advances held by Assignor, and $ of participations of Assignor in LC Obligations (which amount */s/*, according to the records of Agent, represent */s/* % of the total principal amount of outstanding Revolver Advances, % of the total principal amount of outstanding Term Loan Advances, and % of the total principal amount of LC Obligations), (ii) a principal amount of $ of Assignor's Revolver Commitment (which amount includes Assignor's outstanding Revolver Advances being assigned to Assignee pursuant to clause (i) above and which, according to the records of Agent, represents % of the total Revolver Commitments of Lenders under the Loan Agreement), and (iii) a principal amount of $ of Assignor's Term Loan Commitment (the items described above being herein referred to as the "Assigned Interest"), together with an interest in the Loan Documents corresponding to the Assigned Interest. This Agreement shall be effective from the date (the "Assignment Effective Date") on which Assignor receives both (x) the principal amount of the Assigned Interest in the Loans on the Assignment Effective Date, if any, and (y) a copy of this Agreement duly executed by Assignee. From and after the Assignment Effective Date, Assignee hereby expressly assumes, and undertakes to perform, all of Assignor's obligations in respect of Assignor's Revolver Commitment and Term Loan Commitment to the extent, and only to the extent, of Assignee's Assigned Interest, and all principal, interest, fees and other amounts which would otherwise be payable to or for Assignor's account in respect of the Assigned Interest shall be payable to or for Assignee's account, to the extent such amounts have accrued subsequent to the Assignment Effective Date.

2. Assignor (i) represents that as of the date hereof, the aggregate of its Revolver Commitments under the Loan Agreement (without giving effect to assignments thereof that have not yet become effective) is $, the aggregate of its Term Loan Commitments under the Loan Agreement (without giving effect to assignments thereof that have not yet become effective) is $, the outstanding balance of its Revolver Advances and participations in LC

Obligations (unreduced by any assignments thereof that have not yet become effective) is $ and $, respectively; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Loan Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Agreement or any other instrument or document furnished pursuant thereto, other than that Assignor is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of Borrowers, the performance or observance by Borrowers of any of its obligations under the Loan Agreement or any of the Loan Documents; ***[(iv) attaches the Note[s] held by it and requests that Agent exchange such Note[s] for new Notes payable to Assignee and Assignor;]*** and agrees to send notice of this Assignment and Assumption Agreement to Borrower and Agent as set forth on Schedule A hereto.

3. Assignee (i) represents and warrants that it is legally authorized to enter into this Assignment and Assumption Agreement; (ii) confirms that it has received a copy of the Loan Agreement, together with copies of the most recent financial statements delivered pursuant to **Section 5.01** thereof, and copies of such other Loan Documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption Agreement; (iii) agrees that it shall, independently and without reliance upon the Assignor and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Agreement; (iv) confirms that it is an Eligible Assignee; (v) appoints and authorizes Agent to take such action as agent on its behalf and to exercise such powers under the Loan Agreement as are delegated to Agent by the terms thereof, together with such powers as are incidental thereto; (vi) agrees that it will strictly observe and perform all the obligations that are required to be performed by it as a "Lender" under the terms of the Loan Agreement and the other Loan Documents; (vii) agrees that it will keep confidential all information with respect to Borrowers furnished to it by Borrowers or the Assignor to the extent provided in the Loan Agreement; (viii) represents and warrants that the assignment evidenced hereby will not result in a non-exempt "prohibited transaction" under Section 406 of ERISA; and (ix) agrees to send notice of this Assignment and Assumption Agreement to Borrowers and Agent as set forth on Schedule A hereto.

4. Assignee acknowledges and agrees that it will not sell or otherwise dispose of the Assigned Interest or any portion thereof, or grant any participation therein, in a manner which, or take any action in connection therewith which, would violate the terms of any of the Loan Documents.

5. This Agreement and all rights and obligations shall be interpreted in accordance with and governed by the laws of the State of Alabama. If any provision hereof would be invalid under Applicable Law, then such provision shall be deemed to be modified to the extent necessary to render it valid while most nearly preserving its original intent; no provision hereof shall be affected by another provision's being held invalid.

6. Each notice or other communication hereunder shall be in writing, shall be sent by messenger, by telecopier or facsimile transmission or by first-class mail, shall be deemed given when sent and shall be sent as follows:

(a) If to Assignee, to the following address (or to such other address as Assignee may designate from time to time):

(b) If to Assignor, to the following address (or to such other address as Assignor may designate from time to time)

Payments hereunder shall be made by wire transfer of immediately available Dollars as follows:

If to Assignee, to the following account (or to such other account as Assignee may designate from time to time):

ABA No.

Account No.
Reference:

(b) If to Assignor, to the following account (or to such other account as Assignor may designate from time to time):

ABA No.

Account No.
Reference:

[Remainder of page intentionally left blank – signatures on following pages]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Acceptance to be executed and delivered by their respective duly authorized officers, as of the date first above written:

_____

("Assignor")

By: _____

Name: _____

Title: _____

_____

("Assignee")

By: _____

Name: _____

Title: _____

SCHEDULE A TO ASSIGNMENT AND ASSUMPTION AGREEMENT

FORM OF NOTICE

Reference is made to (i) the Credit Agreement dated June , 2017, (as at any time amended, modified, supplemented or restated, the "Loan Agreement"), among **CONSTRUCTION PARTNERS, INC.,** a Delaware corporation ("Construction Partners"), **WIREGRASS CONSTRUCTION COMPANY, INC.,** an Alabama corporation ("Wiregrass Construction"), **FRED SMITH CONSTRUCTION, INC.,** a North Carolina corporation ("Fred Smith Construction"), **FSC II, LLC,** a North Carolina limited liability company ("FSC"), **C. W. ROBERTS CONTRACTING, INCORPORATED,** a Florida corporation ("Roberts Contracting"), and **EVERETT DYKES GRASSING CO., INC.,** a Georgia corporation ("Everett Dykes"; and together with Construction Partners, Wiregrass Construction, Fred Smith Construction, FSC and Roberts Contracting, the "Borrowers" and individually a "Borrower"); the various financial institutions listed on the signature pages of the Loan Agreement (as at any time amended) (together with their respective successors and permitted assigns, the "Lenders"); and **COMPASS BANK,** a bank organized under the laws of the State of Alabama, in its capacity as agent for the Lenders (together with its successors in such capacity, "Agent"), and (ii) the Assignment and Assumption Agreement dated as of , 20 (the "Assignment Agreement") between (the "Assignor") and (the "Assignee"). Except as otherwise defined herein, capitalized terms used herein which are defined in the Loan Agreement are used herein with the respective meanings specified therein.

The Assignor hereby notifies Borrowers and Agent of Assignor's intent to assign to Assignee pursuant to the Assignment Agreement a principal amount of (i) $ of the outstanding Revolver Advances and participations in LC Obligations held by Assignor, (ii) $ of the outstanding Term Loan Advances held by Assignor, (iii) $ of Assignor's Revolver Commitment (which amount includes the Assignor's outstanding Revolver Advances being assigned to Assignee pursuant to clause (i) above), and (iv) $ of Assignor's Term Loan Commitment, together with an interest in the Loan Documents corresponding to the interest in the Advances and Commitments so assigned. Pursuant to the Assignment Agreement, Assignee has expressly assumed all of Assignor's obligations under the Loan Agreement to the extent of the Assigned Interest (as defined in the Assignment Agreement).

For purposes of the Loan Agreement, Agent shall deem (i) Assignor's share of the Revolver Commitment to be reduced by $; (ii) Assignor's share of the Term Loan Commitment to be reduced by $; (iii) Assignee's share of the Revolver Commitment to be increased by $; and (iv) Assignee's share of the Term Loan Commitment to be increased by $.

The address of the Assignee to which notices, information and payments are to be sent under the terms of the Loan Agreement is:

_____

_____

_____

_____

This Notice is being delivered to Borrowers and Agent pursuant to **Section 11.07** of the Loan Agreement. Please acknowledge your receipt of this Notice and consent (in the case of Borrowers, provided that no Event of Default exists) to the assignment described above by executing and returning to Assignee and Assignor a copy of this Notice.

IN WITNESS WHEREOF, the undersigned have caused the execution of this Notice, as of , 20 .

_____
("Assignor")

By: _____
Name: _____
Title: _____

_____
("Assignee")

By: _____
Name: _____
Title: _____

ACCEPTED:

COMPASS BANK, as Agent

By: _____
Name: _____
Title: _____

ACKNOWLEDGED AND AGREED TO
AS OF THE DATE SET FORTH ABOVE:

CONSTRUCTION PARTNERS, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

C. W. ROBERTS CONTRACTING, INCORPORATED, a Florida corporation

By: _____
Name: _____
Title: _____

EVERETT DYKES GRASSING CO., INC.,
a Georgia corporation

By: _____
Name: _____
Title: _____

WIREGRASS CONSTRUCTION COMPANY, INC.,
an Alabama corporation

By: _____
Name: _____
Title: _____

FRED SMITH CONSTRUCTION, INC.,
a North Carolina corporation

By: _____
Name: _____
Title: _____

FSC II, LLC,
a North Carolina limited liability company

By: _____
Name: _____
Title: _____

Exhibit 10.3

AMENDMENT TO
CREDIT AGREEMENT

THIS AMENDMENT TO CREDIT AGREEMENT (this "Amendment") is made and entered into as of June 30, 2017, by and among **CONSTRUCTION PARTNERS, INC.,** a Delaware corporation ("Construction Partners"); **WIREGRASS CONSTRUCTION COMPANY, INC.,** an Alabama corporation ("Wiregrass Construction"); **FRED SMITH CONSTRUCTION, INC.,** a North Carolina corporation ("Fred Smith Construction"); **FSC II, LLC,** a North Carolina limited liability company ("FSC"); **C. W. ROBERTS CONTRACTING, INCORPORATED,** a Florida corporation ("Roberts Contracting"); **EVERETT DYKES GRASSING CO., INC.,** a Georgia corporation ("Everett Dykes" and together with Construction Partners, Wiregrass Construction, Fred Smith Construction, FSC and Roberts Contracting, "Borrowers"); **COMPASS BANK,** a bank organized under the laws of the State of Alabama, as agent for the Lenders and as a Lender and Issuing Bank ("Agent"); and **SERVISFIRST BANK,** as a Lender ("ServisFirst"). Each of Agent and ServisFirst shall be referred to herein as a "Lender" and collectively, "Lenders".

WHEREAS, Borrowers, together with certain other entities that hereafter may become borrowers under the Credit Agreement, have entered into a Credit Agreement dated June 30, 2017 (as at any time amended, modified, supplemented or restated, the "Credit Agreement"), with Agent and Lenders, pursuant to which Agent and Lenders have agreed to extend to Borrowers, a revolving line of credit in the maximum principal amount of $30,000,000, subject to the terms and conditions contained therein and as such revolving line may be increased from time to time (the "Line of Credit") and a term loan in the amount of $50,000,000, subject to the terms and conditions contained therein and such term loan may be increased from time to time (the "Term Loan" and together with the Line of Credit, the "Loans");

WHEREAS, the Loans are evidenced by, among other things, the Notes as defined in the Credit Agreement; and

WHEREAS, in connection herewith, Borrowers, Agent and Lenders desire to amend the definition of Consolidated EBITDA set forth in the Credit Agreement to exclude a one-time special dividend that was made in January 2017.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and obligations of the parties contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrowers, Agent and Lenders hereby agree as follows:

1. **Amendment of the Credit Agreement**. The Credit Agreement shall be and the same hereby is amended as follows:

The definition of "Consolidated EBITDA" set forth in the Credit Agreement shall be deleted in its entirety, and the following shall be substituted in place thereof:

> "Consolidated EBITDA" means and includes, for Borrowers and their Consolidated Subsidiaries for any period, an amount equal to the sum of (a) Consolidated Net Income for such period plus (b): (i) Consolidated Interest Expense for such period; (ii) Consolidated Lease Expense for such period; and (iii) Depreciation and Amortization for such period minus (c): (i) Taxes paid in cash for such period; and (ii) dividends and distributions paid out in such period, but excluding distributions in the aggregate amount of $32,000,000, which were made in January 2017 related to a special dividend, all determined on a consolidated basis in accordance with GAAP in each case for such period.

2. **Effect on the Credit Agreement**. In the event of any conflict between the provisions of the Credit Agreement and this Amendment, this Amendment shall govern and control. Except as modified or amended by this Amendment, all terms and conditions of the Credit Agreement shall remain in full force and effect. All defined terms which are used in this Amendment which began with an initial capital letter but which are not defined herein shall have the meaning attributable to that term in the Credit Agreement.

3. **Authority**. Borrowers, Agent and Lenders affirm and covenant that each has the authority to enter into this Amendment, to abide by the terms hereof, and that the signatories hereto are authorized representatives of their respective entities empowered by their respective corporation to execute this Amendment. The conditions, covenants, and agreements contained herein shall be binding upon the parties hereto and their respective successors and assigns.

4. **Counterparts**. This Amendment may be executed in multiple counterparts, and all such counterparts when so executed and delivered shall constitute but one and the same instrument.

[Remainder of page intentionally left blank; signature pages to follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed, under seal, by their respective Responsible Officers effective as of the day and year first above written.

CONSTRUCTION PARTNERS, INC.,
a Delaware corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

C. W. ROBERTS CONTRACTING, INCORPORATED, a Florida corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

EVERETT DYKES GRASSING CO., INC.,
a Georgia corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

WIREGRASS CONSTRUCTION COMPANY, INC.,
an Alabama corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

FRED SMITH CONSTRUCTION, INC.,
a North Carolina corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

FSC II, LLC,
a North Carolina limited liability company

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

COMPASS BANK, as Agent, Issuing Bank and a Lender

By: /s/ John D. Brown
Name: John D. Brown
Title: Sr. Vice President

SERVISFIRST BANK, as a Lender

By: /s/ B. Harrison Morris
Name: B. Harrison Morris
Title: President and CEO

Exhibit 10.4

LOAN MODIFICATION AGREEMENT AND
AMENDMENT TO LOAN DOCUMENTS

THIS LOAN MODIFICATION AGREEMENT AND AMENDMENT TO LOAN DOCUMENTS (this "Agreement") is being entered into as of the 14th day of November, 2017, by and among **CONSTRUCTION PARTNERS HOLDINGS, INC.,** a Delaware corporation, formerly known as Construction Partners, Inc. ("Holdings"); **WIREGRASS CONSTRUCTION COMPANY, INC.,** an Alabama corporation ("Wiregrass Construction"); **FRED SMITH CONSTRUCTION, INC.,** a North Carolina corporation ("Fred Smith Construction"); **FSC II, LLC,** a North Carolina limited liability company ("FSC"); **C. W. ROBERTS CONTRACTING, INCORPORATED,** a Florida corporation ("Roberts Contracting"); **EVERETT DYKES GRASSING CO., INC.,** a Georgia corporation ("Everett Dykes" and together with Holdings, Wiregrass Construction, Fred Smith Construction, FSC and Roberts Contracting, "Borrowers"); **CONSTRUCTION PARTNERS, INC.,** a Delaware corporation, formerly known as SunTx CPI Growth Company, Inc. ("CPI fka SunTx"); **COMPASS BANK,** a bank organized under the laws of the State of Alabama, as agent for the Lenders and as a Lender and Issuing Bank ("Agent"); and **SERVISFIRST BANK,** as a Lender ("ServisFirst"). Each of Agent and ServisFirst shall be referred to herein as a "Lender" and collectively, "Lenders".

P R E A M B L E

Borrowers, together with certain other entities that hereafter may become borrowers under the Credit Agreement, have entered into a Credit Agreement dated as of the 30th day of June, 2017 (as at any time amended, modified, supplemented or restated, the "Credit Agreement"), with Agent and Lenders, pursuant to which Agent and Lenders have agreed to extend to Borrowers, a revolving line of credit in the maximum principal amount of $30,000,000, subject to the terms and conditions contained therein and as such revolving line may be increased from time to time (the "Line of Credit") and a term loan in the amount of $50,000,000, subject to the terms and conditions contained therein and such term loan may be increased from time to time (the "Term Loan" and together with the Line of Credit, the "Loans"). The Loans are evidenced by, among other things, the Notes and the other Loan Documents as defined in the Credit Agreement. Capitalized terms used herein but not otherwise defined shall have the meaning given to such term in the Credit Agreement.

Accordingly, the Borrowers, CPI fka SunTx, Agent and Lenders have agreed that the Loan shall be modified, and that the Loan Documents shall be amended as set forth below.

A G R E E M E N T

NOW, THEREFORE, the parties, intending to be legally bound hereby, agree as follows, notwithstanding anything in the Loan Documents to the contrary:

A. **Consent to Name Change.** Lenders hereby consent to Construction Partners, Inc. changing its name to Construction Partners Holdings, Inc. and SunTx CPI Growth Company, Inc. changing its name to Construction Partners, Inc.

B. **Modification of Loan Documents.** The Loan Documents shall be and the same hereby are amended as follows:

(i) Any and all references in the Loan Documents to Construction Partners, Inc. (other than the references set forth in subsection (ii) below, Section (C) of this Agreement, and the Collateral Documents that are being delivered in connection herewith) shall be amended to refer to Construction Partners Holdings, Inc.

(ii) Any and all references in the Loan Documents to SunTX CPI Growth Company, Inc. shall be amended to refer to Construction Partners, Inc.

C. **Amendment of Credit Agreement.** In addition to the modifications described in Section B above, the Credit Agreement shall be and the same hereby is amended as follows:

(i) The definition of "Approved IPO", "Change in Control" and "Guarantors" shall be deleted and the following shall be substituted in place thereof:

"Approved IPO" means an Initial Public Offering of Construction Partners Holdings, Inc., or Construction Partners, Inc. on terms and conditions approved by Agent and Lenders prior to such Initial Public Offering, such approval not to be unreasonably withheld.

"Change in Control" means the occurrence after the Closing Date of any of the following: (a) Construction Partners, Inc. ceases to own and control, beneficially and of record, direct or indirectly, all of the Equity Interest in Construction Partners Holdings, Inc., other than in connection with an Approved IPO; (b) Construction Partners Holdings, Inc., ceases to own and control, beneficially and of record, directly or indirectly, all of the Equity Interests in each Borrower (other than Construction Partners Holdings, Inc.); (c) for Construction Partners Holdings, Inc., the holders of the Equity Interests of Construction Partners Holdings, Inc., as of the day hereof cease to own and control, beneficially and of record, at least 50% of the Equity Interests in Construction Partners Holdings, Inc., other than in connection with an Approved IPO; (d) for Construction Partners, Inc., the holders of the Equity Interests of Construction Partners, Inc. as of November , 2017 cease to own and control, beneficially and of record, at least 50% of the Equity Interests in Construction Partners, Inc. other than in connection with an Approved IPO; (e) prior to an Approved IPO, a majority of the board of directors of Construction Partners Holdings, Inc., consists of individuals who were not directors of Construction Partners Holdings, Inc., as of the Closing Date; or (f) prior to an Approved IPO, a majority of the board of directors of Construction Partners, Inc. consists of individuals who were not directors of Construction Partners, Inc. as of November , 2017. After an Approved IPO and the final determination and election of any new board members to the board of directors of Construction Partners Holdings, Inc., or Construction Partners, Inc., as applicable, as a required consequence of the Approved IPO, with respect to Construction Partners Holdings, Inc., or Construction Partners, Inc. (as applicable depending on which entity undertook the Approved IPO), Change in Control shall mean a majority of the board of directors of Construction Partners Holdings, Inc., or Construction Partners, Inc., as applicable, consists of individuals who were not directors of Construction Partners Holdings, Inc., or Construction Partners, Inc., as applicable, as of the later of the corresponding date two years prior or the date of the Approved IPO.

"Guarantors" means, collectively, Construction Partners, Inc., a Delaware corporation, and all direct and indirect Subsidiaries of a Loan Party that is acquired, formed or otherwise in existence after the Closing Date and required to become a Guarantor pursuant to Section 5.09.

(ii) The definition of "Collateral Documents" shall be amended to include that certain Stock Pledge Agreement dated of even date herewith executed by CPI fka SunTx in favor of Agent, and that certain Security Agreement dated of even date herewith executed by CPI fka SunTx in favor of Agent.

(iii) Section 6.15 of the Credit Agreement shall be deleted in its entirety and the following shall be substituted in place thereof:

SECTION 6.15. Modifications of Organizational Documents. No Loan Party shall, nor shall it permit any of its Subsidiaries to, amend, supplement, restate or otherwise modify its Organizational Documents or Operating Documents or other applicable document without the consent of Agent, which consent shall not be unreasonably withheld; provided, however, that Construction Partners Holdings, Inc., and/or Construction Partners, Inc. may do so in connection with an Approved IPO or subsequent issuance of Equity Interests, subject to the approval of the Agent, not to be unreasonably withheld.

(iv) The following sentence shall be added to Section 6.21(a) (Fixed Charge Coverage Ratio):

The Fixed Charge Coverage Ratio shall be measured quarterly on a rolling four quarter basis.

D. **Joinder by CPI fka SunTx.** CPI fka SunTx hereby agrees that it is a "Guarantor" under, bound by and subject to all of the provisions of the Credit Agreement, including **Article X** of the Credit Agreement with the same force and effect as if CPI fka SunTx were an original signatory thereto on the Closing Date, and CPI fka SunTx hereby agrees to abide by and perform all of its obligations as a "Guarantor" under the Credit Agreement, including **Article X** of the Credit Agreement, and the other Loan Documents. Each reference to "Guarantor" or "Guarantors" in the Credit Agreement and the other Loan Documents shall be understood to mean and include CPI fka SunTx (along with the other Guarantors).

In addition to the provisions of Article X of the Credit Agreement, CPI fka SunTx unconditionally and absolutely guarantees to the Secured Parties the due and punctual payment, performance and discharge (whether upon stated maturity, demand, acceleration or otherwise in accordance with the terms thereof) of all of the Obligations of Borrowers or any other Loan Party now or hereafter existing, whether for principal, interest, fees, expenses or otherwise, regardless of whether recovery upon any of such Obligations become barred by any statute of limitations, is void or voidable under any law relating to fraudulent obligations or otherwise, is or becomes invalid or unenforceable for any other reason, or is unrecoverable in any Insolvency Proceeding of a Loan Party (whether pursuant to 11 U.S.C. § 506 or otherwise).

CPI fka SunTx represents and warrants that this Agreement has been duly executed and delivered by CPI fka SunTx and constitutes a legal, valid and binding obligation of CPI fka SunTx enforceable against it in accordance with its terms, except as enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in proceeding at law or in equity).

CPI fka SunTx agrees to execute any and all additional documents required under the Credit Agreement or reasonably requested by Agent. CPI fka SunTx, jointly and severally with Borrowers and Guarantors, agrees to reimburse Agent and Lenders for their respective out-of-pocket expenses in connection with the preparation, execution and delivery of this Agreement, including reasonably fees, disbursements and other charges of counsel for Agent and Lenders.

CPI fka SunTx shall receive notices and other communications at the following address:

290 Healthwest Drive Suite 2
Dothan, Alabama 36303

E. **Effect on Loan Documents.** Each of the Loan Documents shall be deemed amended as set forth hereinabove and to the extent necessary to carry out the intent of this Agreement. Without limiting the generality of the foregoing, each reference in the Loan Documents to the "Note", the "Credit Agreement", or any other "Loan Documents" shall be deemed to be references to said documents, as amended hereby. Except as is expressly set forth herein, all of the Loan Documents shall remain in full force and effect in accordance with their respective terms and all of the remaining terms and provisions of the Loan Documents are hereby ratified and confirmed. Borrowers and CPI fka SunTx agree that Loan Documents shall continue to evidence, secure, guarantee or relate to, as the case may be, the Loan.

F. **Representations and Warranties.** Each representation and warranty contained in the Loan Documents is hereby reaffirmed as of the date hereof. The Borrowers hereby represent, warrant and certify to Lenders that no Event of Default nor any condition or event that with notice or lapse of time or both would constitute an Event of Default, has occurred and is continuing under any of the Loan Documents or the Loan, and that Borrowers have no offsets or claims against any Lender arising under, related to, or connected with the Loan, the Loan Agreement or any of the other Loan Documents. CPI fka SunTx hereby represents that CPI fka SunTx has no offsets or claims against any Lender arising under, related to or connected with the Loan Agreement or any of the other Loan Documents or otherwise.

G. **Additional Documentation; Expenses.** If requested by Agent, Borrowers and CPI fka SunTx shall provide to Agent (i) certified resolutions properly authorizing the transactions contemplated hereby and the execution of this Agreement and all other documents and instruments being executed in connection herewith; and (ii) all other documents and instruments required by Agent; all in form and substance satisfactory to Agent. Borrowers shall pay any recording and all other expenses incurred by Agent and Borrowers in connection with the modification of the Loans and any other transactions contemplated hereby, including without limitation, any applicable title or other insurance premiums, survey costs, legal expenses, recording fees and taxes.

H. **Release of Claims.** The Borrowers and CPI fka SunTx acknowledge and confirm their obligations to the Lenders for repayment of the Loans and indebtedness evidenced by the Notes (the "Indebtedness"). The Borrowers and CPI fka SunTx further acknowledge and represent that they have no defense, counterclaim, offset, cross-complaint, claim or demand of any kind or nature whatsoever (collectively, the "Loan Defenses") that can be asserted to reduce or eliminate all or any part of their liability to repay the Indebtedness to the Lenders. To the extent that any such Loan Defenses exist, and for and in consideration of the Lenders' commitments contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, they are hereby fully, forever and irrevocably released.

By their execution below, for and in consideration of the Lenders' commitments contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the Borrowers and CPI fka SunTx, for themselves and for their respective successors, executors, heirs, administrators, and assigns, each hereby acknowledge and agree that neither the Lenders, nor any of their officers, directors, employees, agents, servants, representatives, attorneys, loan participants, successors, successors-in-interest, predecessors-in-interest and assigns (hereinafter referred to collectively as the "Released Parties") have interfered with or impaired the acquisition, collection, use, ownership, disposition, disbursement, leasing or sale of any of the collateral which secures the Loan (the "Collateral"), and that neither the Borrowers, nor CPI fka SunTx has any claim of any nature whatsoever, at law, in equity or otherwise, against the Released Parties, or any of them, as a result of any acts or omissions of the Released Parties, or any of them, under the Loan Documents or in connection to the Loans or the Collateral prior to and including the date hereof. Each of the Borrowers and CPI fka SunTx, for themselves and for their respective successors, executors, heirs, administrators, and assigns, hereby unconditionally waive and release the Released Parties, and forever discharge the Released Parties, of and from and against any and all manner of action, suits, claims, counterclaims, causes of action, offsets, deductions, breach or breaches, default or defaults, debts, dues, sums of money, accounts, deposits, damages, expenses, losses, liabilities, costs, expenses, any and all demands whatsoever and compensation of every kind and nature, past, present, and future, known or unknown (herein collectively, "Claims") that the Borrowers, CPI fka SunTx, or any of the Borrowers', or any CPI fka SunTx's successors, successors-in-interest, heirs, executors, administrators, or assigns, or any one of them, can or now have or may have at any time hereafter against the Released Parties, or any of them, by reason of any matter, cause, transaction, occurrence or omission whatsoever, which happened or has happened on or before the date of this Agreement, on account of or arising from or which is connected in any manner whatsoever with the Loans, the Indebtedness, the Collateral, the Loan Documents, any related documents, or any and all collateral which has served or is serving as security for the Loans or the Loan Documents, or which is related to any and all transactions and dealings with among Lenders, the Borrowers and/or CPI fka SunTx, or any other matter or thing that has occurred before the signing of the Agreement, known or unknown. Any and all such Claims are hereby declared to be satisfied and settled, and the Borrowers and CPI fka SunTx, for themselves and for their respective successors, executors, heirs, administrators, and assigns, each hereby discharge the Released Parties from any liability with respect to any and all such Claims.

I. **Waiver of Trial by Jury. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTION CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.**

J. **Counterparts**. This document may be executed in any number of identical counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively one (1) document and agreement, but in making proof of this document, it shall not be necessary to produce or account for more than one such counterpart, and counterpart pages may be combined into one single document.

This Agreement is intended to take effect as a sealed instrument.

[Remainder of this page is blank – signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, under seal, by their respective Responsible Officers effective as of the day and year first above written.

CONSTRUCTION PARTNERS HOLDINGS, INC., a Delaware corporation, formerly known as Construction Partners, Inc.

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

C. W. ROBERTS CONTRACTING, INCORPORATED, a Florida corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

EVERETT DYKES GRASSING CO., INC.,
a Georgia corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

WIREGRASS CONSTRUCTION COMPANY, INC., an Alabama corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

FRED SMITH CONSTRUCTION, INC.,
a North Carolina corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

FSC II, LLC,
a North Carolina limited liability company

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

CONSTRUCTION PARTNERS, INC., a Delaware corporation, formerly known as SunTx CPI Growth Company, Inc., as a Guarantor

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

COMPASS BANK, as Agent, Issuing Bank and a Lender

By: /s/ John Brown
Name: John Brown
Title: Sr. Vice President

SERVISFIRST BANK, as a Lender

By: /s/ B. Harrison Morris
Name: B. Harrison Morris
Title: President & CEO

LOAN MODIFICATION AGREEMENT AND
AMENDMENT TO LOAN DOCUMENTS

THIS LOAN MODIFICATION AGREEMENT AND AMENDMENT TO LOAN DOCUMENTS (this "Agreement") is being entered into as of the 31 day of December, 2017, by and among **CONSTRUCTION PARTNERS HOLDINGS, INC**., a Delaware corporation, formerly known as Construction Partners, Inc. ("Holdings"); **WIREGRASS CONSTRUCTION COMPANY, INC**., an Alabama corporation ("Wiregrass Construction"); **FRED SMITH CONSTRUCTION, INC**., a North Carolina corporation ("Fred Smith Construction"); **FSC II, LLC**, a North Carolina limited liability company ("FSC"); **C. W. ROBERTS CONTRACTING, INCORPORATED**, a Florida corporation ("Roberts Contracting"); **EVERETT DYKES GRASSING CO., INC.,** a Georgia corporation ("Everett Dykes" and together with Holdings, Wiregrass Construction, Fred Smith Construction, FSC and Roberts Contracting, "Borrowers"); **CONSTRUCTION PARTNERS, INC.,** a Delaware corporation, formerly known as SunTx CPI Growth Company, Inc. ("Guarantor"); **COMPASS BANK**, a bank organized under the laws of the State of Alabama, as agent for the Lenders and as a Lender and Issuing Bank ("Agent"); and **SERVISFIRST BANK**, as a Lender ("ServisFirst"). Each of Agent and ServisFirst shall be referred to herein as a "Lender" and collectively, "Lenders".

P R E A M B L E

Borrowers, together with certain other entities that hereafter may become borrowers under the Credit Agreement, have entered into a Credit Agreement dated as of the 30th day of June, 2017 (as at any time amended, modified, supplemented or restated, including by that certain Loan Modification Agreement and Amendment to Loan Documents dated as of November 14, 2017, the "Credit Agreement"), with Agent and Lenders, pursuant to which Agent and Lenders have agreed to extend to Borrowers, a revolving line of credit in the maximum principal amount of $30,000,000, subject to the terms and conditions contained therein and as such revolving line may be increased from time to time (the " Line of Credit") and a term loan in the amount of $50,000,000, subject to the terms and conditions contained therein and such term loan may be increased from time to time (the "Term Loan" and together with the Line of Credit, the "Loans"). The Loans are evidenced by, among other things, the Notes and the other Loan Documents as defined in the Credit Agreement. The Loans are guaranteed by the guaranty (the "Guaranty") of the Guarantor. Capitalized terms used herein but not otherwise defined shall have the meaning given to such term in the Credit Agreement.

Accordingly, the Borrowers, the Agent und Lender have agreed that the Loan shall be modified, and that the Loan Documents shall be amended as set forth below.

A G R E E M E N T

NOW, THEREFORE, the parties, intending to be legally bound hereby, agree as follows, notwithstanding anything in the Loan Documents to the contrary:

A. **Consent to Divestment**. Agent and Lenders hereby consent to the divestment of River Works, Incorporated ("River Works"), a subsidiary of FSC, and all of the assets of River Works.

B. **Modification of Loan Documents**. The Loan Documents shall be and the same hereby are amended by deleting any and all references in the Loan Documents to "River Works, Incorporated."

C. **Effect on Loan Documents**. Each of the Loan Documents shall be deemed amended as set forth hereinabove and to the extent necessary to carry out the intent of this Agreement. Without limiting the generality of the foregoing, each reference in the Loan Documents to the "Note", the "Credit Agreement", or any other "Loan Documents" shall be deemed to be references to said documents, as amended hereby. Except as is expressly set forth herein, all of the Loan Documents and the Guaranty shall remain in full force and effect in accordance with their respective terms and all of the remaining terms and provisions of the Loan Documents and the Guaranty are hereby ratified and confirmed. Borrower agrees that Loan Documents shall continue to evidence, secure, guarantee or relate to, as the case may be, the Loans. Guarantor agrees that the Guaranty shall continue to secure the Loan.

D. **Representations and Warranties**. Each representation and warranty contained in the Loan Documents is hereby reaffirmed as of the date hereof. The Borrowers hereby represent, warrant and certify to Lenders that no Event of Default nor any condition or event that with notice or lapse of time or both would constitute an Event of Default, has occurred and is continuing under any of the Loan Documents or the Loan, and that Borrowers have no offsets or claims against any Lender arising under, related to, or connected with the Loan, the Credit Agreement or any of the other Loan Documents.

Guarantor hereby consents to the modifications, amendments and terms as described herein, and acknowledges, reaffirms and restates the continuing effect of its Guaranty and its obligations to Bank for the obligations of Borrower as set forth in its Guaranty. Guarantor hereby represents that Guarantor has no offsets or claims against Agent or Lenders arising under, related to or connected with the Credit Agreement or any of the other Loan Documents or otherwise.

E. **Additional Documentation; Expenses**. If requested by Agent, Borrowers and Guarantor shall provide to Agent (i) certified resolutions properly authorizing the transactions contemplated hereby and the execution of this Agreement and all other documents and instruments being executed in connection herewith; and (ii) all other documents and instruments required by Agent; all in form and substance satisfactory to Agent. Borrowers shall pay any recording and all other expenses incurred by Agent and Borrowers in connection with the modification of the Loans and any other transactions contemplated hereby, including without limitation, any applicable title or other insurance premiums, survey costs, legal expenses, recording fees and taxes.

F. **Release of Claims**. The Borrowers acknowledge and confirm their obligations to the Lenders for repayment of the Loans and indebtedness evidenced by the Notes (the "Indebtedness"), and the Guarantor acknowledges and confirms its obligations to the Agent and the Lenders for the obligations of the Borrowers as set forth in its Guaranty. The Borrowers and the Guarantor further acknowledge and represent that they have no defense, counterclaim, offset, cross-complaint, claim or demand of any kind or nature whatsoever (collectively, the "Loan Defenses") that can be asserted to reduce or eliminate all or any part of their liability to repay the Indebtedness to the Lenders. To the extent that any such Loan Defenses exist, and for and in consideration of the Lenders' commitments contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, they are hereby fully, forever and irrevocably released.

By their execution below, for and in consideration of the Lenders' commitments contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the Borrowers and the Guarantor, for themselves and for their respective successors, executors, heirs, administrators, and assigns, each hereby acknowledge and agree that neither the Lenders, nor any of their officers, directors, employees, agents, servants, representatives, attorneys, loan participants, successors, successors-in-interest, predecessors-in-interest and assigns (hereinafter referred to collectively as the "Released Parties") have interfered with or impaired the acquisition, collection, use, ownership, disposition, disbursement, leasing or sale of any of the collateral which secures the Loan (the "Collateral"), and that neither the Borrowers nor the Guarantor any claim of any nature whatsoever, at law, in equity or

otherwise, against the Released Parties, or any of them, as a result of any acts or omissions of the Released Parties, or any of them, under the Loan Documents or in connection to the Loans or the Collateral prior to and including the date hereof. Each of the Borrowers and the Guarantor, for themselves and for their respective successors, executors, heirs, administrators, and assigns, hereby unconditionally waive and release the Released Parties, and forever discharge the Released Parties, of and from and against any and all manner of action, suits, claims, counterclaims, causes of action, offsets, deductions, breach or breaches, default or defaults, debts, dues, sums of money, accounts, deposits, damages, expenses, losses, liabilities, costs, expenses, any and all demands whatsoever and compensation of every kind and nature, past, present, and future, known or unknown (herein collectively, "Claims") that the Borrowers, the Guarantor, or any of the Borrowers', or any of the Guarantor's successors, successors-in-interest, heirs, executors, administrators, or assigns, or any one of them, can or now have or may have at any time hereafter against the Released Parties, or any of them, by reason of any matter, cause, transaction, occurrence or omission whatsoever, which happened or has happened on or before the date of this Agreement, on account of or arising from or which is connected in any manner whatsoever with the Loans, the Indebtedness, the Collateral, the Loan Documents, any related documents, or any and all collateral which has served or is serving as security for the Loans or the Loan Documents, or which is related to any and all transactions and dealings with among Lenders, the Borrowers and/or the Guarantor, or any other matter or thing that has occurred before the signing of the Agreement, known or unknown. Any and all such Claims are hereby declared to be satisfied and settled, and the Borrowers and the Guarantor, for themselves and for their respective successors, executors, heirs, administrators, and assigns, each hereby discharge the Released Parties from any liability with respect to any and all such Claims.

G. Waiver of Trial by Jury. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTION CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS. THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

H. **Counterparts**. This document may be executed in any number of identical counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively one (1) document and agreement, but in making proof of this document, it shall not be necessary to produce or account for more than one such counterpart, and counterpart pages may be combined into one single document.

This Agreement is intended to take effect as a sealed instrument.

[Remainder of this page is blank – signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, under seal, by their respective Responsible Officers effective as of the day and year first above written.

CONSTRUCTION PARTNERS HOLDINGS, INC., a Delaware corporation, formerly known as Construction Partners, Inc.

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

C. W. ROBERTS CONTRACTING, INCORPORATED, a Florida corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

EVERETT DYKES GRASSING CO., INC., a Georgia corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

WIREGRASS CONSTRUCTION COMPANY, INC., an Alabama corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

FRED SMITH CONSTRUCTION, INC., a North Carolina corporation

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

FSC II, LLC, a North Carolina limited liability company

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

CONSTRUCTION PARTNERS, INC., a Delaware corporation, formerly known as SunTx CPI Growth Company, Inc., as a Guarantor

By: /s/ R. Alan Palmer
Name: R. Alan Palmer
Title: Vice President

COMPASS BANK, as Agent, Issuing Bank and a Lender

By: /s/ John Brown
Name: John Brown
Title: Sr. Vice President

SERVISFIRST BANK, as a Lender

By: /s/ B. Harrison Morris
Name: B. Harrison Morris
Title: President and CEO

SUNTX CPI GROWTH COMPANY, INC.
2016 EQUITY INCENTIVE PLAN

SUNTX CPI GROWTH COMPANY, INC.
2016 EQUITY INCENTIVE PLAN

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SUNTX CPI GROWTH COMPANY, INC.
2016 EQUITY INCENTIVE PLAN

The purpose of the SunTx CPI Growth Company, Inc. 2016 Equity Incentive Plan is to enable the Company and any Related Company to obtain and retain the services of the types of Employees, Consultants, and Directors who will contribute to the Company's long range success and to provide incentives that are linked directly to increases in share value which will inure to the benefit of all stockholders of the Company.

ARTICLE 1
DEFINITIONS

"***Administrator***" means the Board or the Committee appointed by the Board in accordance with Section 2.5.

"***Award***" means, individually or collectively, any Option, Restricted Award, Performance Award, Stock Appreciation Right or other Stock-Based Award granted under the Plan.

"***Award Agreement***" means a written agreement between the Company and a Participant evidencing the terms and conditions of an individual Award. Each Award Agreement will be subject to the terms and conditions of the Plan and need not be identical.

"***Beneficial Owner***" has the meaning assigned to that term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular Person, that Person will be deemed to have beneficial ownership of all securities that that Person has the right to acquire by conversion or exercise of other securities, whether the right is currently exercisable or is exercisable only after the passage of time, the satisfaction of performance goals or both. The terms "***Beneficially Owns***" and "***Beneficially Owned***" have a corresponding meaning.

"***Board***" means the Board of Directors of the Company.

"***Cause***" means, (a) with respect to any Participant who is a party to an employment or service agreement or employment policy manual with the Company or its Related Companies and which agreement or policy manual provides for a definition of Cause, as defined therein; and (b) with respect to all other Participants, (i) the commission of, or plea of guilty or no contest to, a felony or a crime involving moral turpitude or the commission of any other act involving willful malfeasance or material fiduciary breach with respect to the Company or a Related Company; (ii) conduct tending to bring the Company into substantial public disgrace or disrepute; (iii) gross negligence or willful misconduct with respect to the Company or a Related Company; or (iv) material violation of state or federal securities laws. The Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause.

"***Change in Control***" means (a) with respect to the Company, (i) a sale of all or substantially all of the equity or assets of the Company to an unrelated Person (a "***Sale***") or (ii) any merger or consolidation of the Company with another Person if, immediately after giving effect thereto, any Person (or group of Persons acting in concert) other than the Persons holding greater

than 50% of the outstanding Common Stock immediately prior thereto (the "***Majority Holders***") have the power to designate or approve a majority of the members of the board of directors of the Surviving Entity; and (b) with respect to any Related Company, as applicable (including, without limitation, the sale of all or substantially all of the assets of the Company or other Related Company together with such company's subsidiaries, taken as a whole), (i) a Sale of such Related Company or (ii) any merger or consolidation of the Related Company with another Person if, immediately after giving effect thereto, any Person (or group of Persons acting in concert) other than the Related Company Majority Holders immediately prior thereto have the power to designate or approve a majority of the members of the board of directors of the Related Company or the surviving entity, that also constitutes a "change in the ownership of a corporation," a "change in the effective control of a corporation," or a "change in the ownership of a substantial portion of a corporation's assets," in each case, within the meaning of Section 1.409A-3(i)(5) of the Treasury Regulations.

The foregoing notwithstanding, a transaction will not constitute a Change in Control if its sole purpose is to change the state of the Company's incorporation or to create a holding company that will be owned in substantially the same proportions by the Persons who held the Company's securities immediately before the transaction; it constitutes an initial public offering or a secondary public offering that results in any security of the Company being listed (or approved for listing) on any securities exchange or designated (or approved for designation) as a security on an interdealer quotation system; or solely because 50% or more of the total voting power of the Company's then outstanding securities is acquired by a trustee or other fiduciary holding securities under one or more employee benefit plans of the Company or any Related Company, or any company that, immediately before the acquisition, is owned directly or indirectly by the Company's stockholders in substantially the same proportion as their ownership of stock in the Company immediately before the acquisition.

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

"***Committee***" means a committee of one or more members of the Board appointed by the Board to administer the Plan in accordance with Section 2.5.

"***Common Stock***" means the Company's Common Stock, $.001 par value per share. "***Company***" means SunTx CPI Growth Company, Inc., a Delaware corporation. "***Consultant***" means any natural person who provides bona fide consulting or advisory services to the Company or a Related Company under a written agreement, which services are not in connection with the offer or sale of securities in a capital raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities.

"***Continuous Service***" means the uninterrupted service of a Participant with the Company or a Related Company as an Employee, Director or Consultant. A Participant's Continuous Service will not be deemed interrupted or terminated merely because of a change in the capacity in which the Participant renders service, such as a change in status from Employee to Consultant or Director, or a change in the entity for which the Participant renders service, such as from the Company to a Related Company, so long as there is no interruption or termination of the Participant's service. The Administrator or its delegate, in its sole discretion, may determine whether Continuous Service will be considered interrupted in the case of any leave of absence approved by that party, including sick leave, military leave or any other personal or family leave of absence.

"***Covered Employee"*** means a "covered employee" as defined in Code Section 162(m)(3), as modified by the regulations and interpretive guidance issued thereunder.

"***Date of Grant"*** means the first date on which all necessary corporate action has been taken by the Administrator to approve the grant of an Award to a Participant as provided under the Plan, provided the key terms and conditions of the Award are communicated to the Participant within a reasonable period thereafter; or such later date as is designated by the Administrator and specified in the Award Agreement. In any situation where the terms of the Award are subject to negotiation with the Participant, the Grant Date will not be earlier than the date the key terms and conditions of the Award are communicated to the Participant.

"***Detrimental Activity"*** means any of the following: (a) disclosure of the Company's confidential information to any Person outside the Company, without prior written authorization from the Company or in conflict with the interests of the Company, whether the confidential information was acquired or disclosed by the Participant during or after service with the Company; (b) failure or refusal to disclose promptly or assign to the Company all right, title, and interest in any invention, work product or idea, patentable or not, made or conceived by the Participant during service with the Company, relating in any manner to the interests of the Company or, the failure or refusal to do anything reasonably necessary to enable the Company to secure a patent where appropriate in the United States and in other countries; (c) activity that is discovered to be grounds for or results in termination of the Participant's Continuous Service for Cause; (d) violation or breach of a non-disclosure, confidentiality, intellectual property, privacy, exclusivity or other restrictive covenant in any employment or service agreement, Award Agreement or other agreement between the Participant and the Company during any period for which such a restrictive covenant is applicable to the Participant, whether during or after employment by the Company; (e) any attempt directly or indirectly to induce any Employee of the Company to be employed or perform services or acts in conflict with the interests of the Company; (g) any attempt, in conflict with the interests of the Company, directly or indirectly, to solicit the trade or business of any current or prospective customer, client, supplier or partner of the Company; (h) the conviction of, or guilty plea entered by, the Participant for any felony or a crime involving moral turpitude whether or not connected with the Company; or (i) the commission of any other act involving willful malfeasance or material fiduciary breach with respect to the Company. All references to "the Company" in this definition refer to the Company and any Related Company.

"***Director***" means a member of the Board.

"***Disability***" means, if the Participant is a party to an employment or service agreement with the Company or a Related Company and such agreement provides for a definition of Disability, the definition contained in such agreement, or if no such agreement exists, the Participant's inability to substantially perform his or her duties to the Company or any Related Company by reason of a medically determinable physical or mental impairment that is expected to last for a period of six months or longer or to result in death; except that for purposes of determining the term of an Incentive Stock Option under Section 7.2(c), "Disability" means

permanent and total disability as defined under Code Section 22(e)(3). The Administrator will determine whether an individual has a Disability under procedures established by the Administrator. Except in situations where the Administrator is determining Disability for purposes of the term of an Incentive Stock Option under Section 7.2(c), the Administrator may rely on any determination that a Participant is disabled for purposes of benefits under any long-term disability plan maintained by the Company or any Related Company in which a Participant participates.

"***Effective Date"*** means August 19, 2016, the date of the Plan's adoption by the Board or an authorized committee of the Board.

"***Eligible Director"*** means an individual who is both (i) a"non-employee director" as defined in Rule 16b-3(b)(3) under the Exchange Act and (ii) an "outside director" as defined in Treasury Regulation section 1.162-27(e)(3).

"***Employee***" means a common law or statutory employee of the Company or a Related Company. Mere service as a Director or payment of a Director's fee by the Company or a Related Company is not sufficient to constitute being an Employee.

"***Established Securities Market"*** means a national securities exchange that is registered under Section 6 of the Exchange Act; a foreign national securities exchange that is officially recognized, sanctioned or supervised by governmental authority; or any over-the-counter market that is reflected by the existence of an interdealer quotation system.

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

"***Exercise Price"*** means the price per share at which the holder of an Option may buy an underlying share of Common Stock on exercise of the Option.

"***Fair Market Value"*** means, as of the date of any valuation event, the value per share of the Common Stock determined using a valuation method that is presumptively reasonable under Treasury Regulation section 1.409A-1(b)(5)(iv), as follows.

(a) The Fair Market Value on the date of the Company's initial public offering (as described in Section 12(f)(1)(G) of the Exchange Act) of its Common Stock will be the initial price to the public on that date.

(a) On any date on which shares of Common Stock are readily tradable on an Established Securities Market, if the Common Stock is admitted to trading on an exchange or market for which closing prices are reported on any date, Fair Market Value may be determined based on (i) the last sale before or the first sale after the Date of Grant of an Award or other valuation event; (ii) the closing price on the last trading day before the Date of Grant of an Award or other valuation event (iii) the closing price on the Date of Grant or other valuation event; or (iv) an average selling price during a specified period that is within 30 days before or 30 days after the Date of Grant of an Award, provided that the commitment to grant an Award based on that valuation method must be irrevocable before the beginning of the specified period, and the valuation method must be used consistently for grants of Awards under the Plan and substantially similar programs.

(b) If the Common Stock is readily tradable on an Established Securities Market but closing prices are not reported, Fair Market Value may be determined based upon (i) the average of the highest bid and lowest asked prices of the Common Stock reported on the last trading day before the Date of Grant of an Award or other valuation event or on the Date of Grant or other evaluation event; or (ii) an average of the highest bid and lowest asked prices during a specified period that is within 30 days before or 30 days after the Date of Grant of an Award, provided that the commitment to grant an Award based on that valuation method must be irrevocable before the beginning of the specified period, and the valuation method must be used consistently for grants of Awards under the Plan and substantially similar programs.

(c) At any time the Common Stock is not readily tradable on an Established Securities Market, the Administrator shall determine the Fair Market Value through the reasonable application of a reasonable valuation method based on the facts and circumstances as of the valuation date, including, at the election of the Administrator, by an independent appraisal that meets the requirements of Code Section 401(a)(28)(C) and the regulations issued thereunder as of a date that is no more than 12 months before the relevant transaction to which the valuation is applied (for example, an Option's Date of Grant), and that determination will be conclusive and binding on all Persons.

"***Incentive Stock Option"*** means an Option intended to qualify as an incentive stock option under Section 422 of the Code and the regulations issued thereunder.

"***Nonqualified Stock Option"*** means an Option not intended to qualify as an Incentive Stock Option.

"***Officer***" means (a) before the first date on which any security of the Company is registered under Section 12 of the Exchange Act, any individual designated by the Company as an officer; and (b) on and after the first date on which any security of the Company is registered under Section 12 of the Exchange Act, an individual who is an officer of the Company within the meaning of Section 16 of the Exchange Act and the rules and regulations issued thereunder.

"***Option***" means an Incentive Stock Option or a Nonqualified Stock Option granted under the Plan.

"***Participant***" means an individual to whom an Award is granted under the Plan or, if applicable, such other Person who holds an outstanding Award.

"***Performance Award"*** means an Award granted under Section 6.2.

"***Permitted Transferee"*** means a Participant's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law (including adoptive relationships), any individual sharing the Participant's household (other than a tenant or employee), a trust in which these individuals (or the Participant) have more than 50% of the beneficial interest, a foundation in which these individuals (or the Participant) control the management of assets, any other entity in which these individuals (or the Participant) own more than 50% of the voting interests, or such other transferee as may be permitted by the Administrator in its sole discretion.

"***Person***" means an individual, partnership, limited liability company, corporation, association, joint stock company, trust, joint venture, labor organization, unincorporated organization, governmental entity or political subdivision thereof or any other entity, and includes a syndicate or group as those terms are used in Section 13(d)(3) or 14(d)(2) of the Exchange Act.

"***Plan***" means this SunTx CPI Growth Company, Inc. 2016 Equity Incentive Plan, as it may be amended from time to time.

"***Related Company"*** means any parent or subsidiary of the Company, whether now or hereafter existing.

"***Restricted Award"*** means an Award of Restricted Stock or Restricted Stock Units granted under Section 6.1.

"***Restricted Period"*** has the meaning set forth in Section 6.1.

"***Restricted Stock"*** means shares of Common Stock granted under a Restricted Award to a Participant under Section 6.1, which are subject to certain restrictions and risk of forfeiture.

"***Restricted Stock Unit"*** means a hypothetical unit granted under a Restricted Award to a Participant under Section 6.1 evidencing the right to receive one share of Common Stock, or an equivalent value in cash equal to the Fair Market Value (as determined by the Administrator) in the future, which right is subject to certain restrictions and risk of forfeiture.

"***Right of First Refusal"*** means the Company's option to repurchase Common Stock acquired under the Plan upon the Participant's notice of intent to transfer any Common Stock received pursuant to an Award in accordance with the provisions of Section 12.8.

"***Right of Repurchase"*** means the Company's option to repurchase unvested Common Stock acquired under the Plan upon the Participant's termination of Continuous Service pursuant to Section 12.7.

"***Securities Act"*** means the Securities Act of 1933, as amended.

"***Stock Appreciation Right"*** or "SAR" means the right pursuant to an Award granted under Section 6.3 to receive an amount equal to the difference between the Fair Market Value as of the date of exercise and the Strike Price, multiplied by the number of shares of Common Stock for which the Award is exercised, all as determined under Section 6.3.

"***Strike Price"*** means the base value per share of Common Stock, the excess over which will be payable upon exercise of a Stock Appreciation Right, as determined by the Administrator and as set forth in the Award Agreement.

"***Surviving Entity"*** means the Company if immediately following any merger, consolidation or similar transaction, the holders of outstanding voting securities of the Company immediately before the merger or consolidation own equity securities possessing more than 50% of the voting power of the entity existing following the merger, consolidation or similar

transaction. In all other cases, the other entity to the transaction and not the Company will be the Surviving Entity. In making the determination of ownership by the stockholders of an entity immediately after the merger, consolidation or similar transaction, equity securities that the stockholders owned immediately before the merger, consolidation or similar transaction as stockholders of another party to the transaction will be disregarded. Further, outstanding voting securities of an entity will be calculated by assuming the conversion of all equity securities convertible (immediately or at some future time whether or not contingent on the satisfaction of performance goals) into securities entitled to vote.

"***Ten Percent Stockholder"*** means a person who owns (or is deemed to own under Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of stock of the Company or of any "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Section 424(e) and (f), respectively.

ARTICLE 2
ADMINISTRATION

2.1 **Administration by Board.** The Compensation Committee of the Board shall administer the Plan unless and until the Board delegates administration to a different Committee or vests authority in the Board for the administration of the Plan, as provided in Section 2.5.

2.2 **Authority of Administrator.** The Administrator will have the power and authority to select Participants and grant Awards under the terms of the Plan.

2.3 **Specific Authority.** In particular, the Administrator will have the authority to:

(a) construe and interpret the Plan and apply its provisions;

(b) promulgate, amend, and rescind rules and regulations relating to the administration of the Plan;

(c) authorize any Person to execute, on behalf of the Company, any instrument required to carry out the purposes of the Plan;

(d) delegate its authority to one or more Officers of the Company with respect to Awards that do not involve any individual who is subject to Section 16 of the Exchange Act or who is a Covered Employee or is reasonably anticipated to become a Covered Employee during the term of an Award, which delegation shall be by a resolution that specifies the total number of shares of Common Stock that may be subject to Awards by the Officer and the Officer may not make an Award to himself or herself;

(e) determine when Awards are to be granted under the Plan;

(f) select, subject to the limitations set forth in the Plan, those Participants to whom Awards will be granted;

(g) determine the number of shares of Common Stock to be made subject to each Award;

(h) determine whether each Option is to be an Incentive Stock Option or a Nonqualified Stock Option;

(i) prescribe the terms and conditions of each Award, including, without limitation, the Strike Price or Exercise Price and medium of payment, vesting provisions and Right of Repurchase provisions, and to specify the provisions of the Award Agreement relating to the grant or sale;

(j) subject to the restrictions applicable under Section 11.4, amend any outstanding Awards, including for the purpose of modifying the time or manner of vesting, the purchase price, Exercise Price or Strike Price or the term of any outstanding Award; except that if any such amendment impairs a Participant's rights or increases a Participant's obligations under his or her Award, the amendment will also be subject to the Participant's consent (for the avoidance of doubt, a cancellation of an Award where the Participant receives a payment equal in value to the Fair Market Value of the vested Award or, in the case of vested Options, the difference between the Fair Market Value of the Common Stock subject to an Option and the Exercise Price, will not constitute an impairment of the Participant's rights that requires consent);

(k) determine the duration and purpose of leaves of absences that may be granted to a Participant without constituting termination of their Continuous Service for purposes of the Plan, which periods will be no shorter than the periods generally applicable to Employees under the Company's employment policies or as required under applicable law;

(l) make decisions with respect to outstanding Awards that may become necessary upon a Change in Control or an event that triggers capital adjustments; and

(m) exercise discretion to make any and all other determinations that it may determine to be necessary or advisable for administration of the Plan.

2.4 **Decisions Final.** All decisions made by the Administrator under the provisions of the Plan will be final and binding on the Company and the Participants, unless a decision is determined by a court having jurisdiction to be arbitrary and capricious.

2.5 **The Committee.**

(a) **General.** The Board may delegate administration of the Plan to a Committee or Committees of one or more members of the Board, and the term "***Committee***" will apply to any Person or Persons to whom that authority has been delegated. If administration is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in the Plan to the Administrator will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, consistent with the provisions of the Plan, as the Board may adopt. The Board may abolish the Committee at any time and revest in the Board the administration

of the Plan. The members of the Committee will be appointed by and serve at the pleasure of the Board. The Board may increase or decrease the size of the Committee, add additional members to, remove members (with or without Cause) from, appoint new members in substitution therefor, and fill vacancies, however caused, in the Committee. The Committee shall act by a vote of the majority of its members or, in the case of a Committee comprised of only two members, the unanimous consent of its members, whether present or not, or by the written consent of the majority of its members and shall keep minutes of all of its meetings. Subject to the limitations prescribed by the Plan and the Board, the Committee shall establish and follow such rules and regulations for the conduct of its business as it may determine to be advisable.

(b) **Committee Composition when Securities Registration is Required**. Whenever any class of the Company's common equity securities is required to be registered under Section 12 of the Exchange Act, in the discretion of the Board, a Committee may consist solely of two or more Eligible Directors. The Board has sole discretion to determine whether it intends to comply with the exemption requirements of either Rule 16b-3 under the Exchange Act or Code Section 162(m). However, if the Board intends to satisfy those exemption requirements, with respect to Awards to any Participant who is a Covered Employee or is reasonably anticipated to become a Covered Employee during the term of the Award, or to any Officer or Director, the Committee will at all times consist solely of two or more Eligible Directors. Within the scope of that authority, the Board or the Committee may (i) delegate to a committee of one or more members of the Board who are not "outside directors" within the meaning of Code Section 162(m) the authority to grant Awards to eligible individuals who are not Covered Employees and not expected to be Covered Employees at the time of recognition of income resulting from the Award or with respect to whom the Company does not wish to comply with Code Section 162(m), or (ii) delegate to a committee of one or more members of the Board who are not "non-employee directors" within the meaning of Rule 16b-3 under the Exchange Act the authority to grant Awards to eligible individuals who are not Officers, Directors, "beneficial owners" (as defined in Rule 16a 1(a)(1) under the Exchange Act) of more than 10% of any class of equity securities of the Company registered under Section 12 of the Exchange Act or otherwise subject to Section 16 of the Exchange Act. Nothing in this Section 2.5(b) is intended to create an inference that an Award granted other than by a committee of the Board consisting at all times solely of two or more Eligible Directors is not validly granted under the Plan.

2.6 **Indemnification**. In addition to such other rights of indemnification as they may have as Directors or members of the Committee, and to the extent allowed by applicable law, the Company shall indemnify the Administrator against the reasonable expenses, including attorney's fees, actually incurred in connection with any action, suit or proceeding or in connection with any appeal thereof, to which the Administrator may be party by reason of any action taken or failure to act under or in connection with the Plan or any Award granted under the Plan, and against all amounts paid by the Administrator in settlement thereof (subject, however, to the Company's approval of the settlement, which approval the Company shall not unreasonably withhold) or paid by the Administrator in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it is adjudged in the action, suit or proceeding that the Administrator did not act in good faith and in a manner that the Person reasonably believed to be in the best interests of the Company, and in the case of a criminal proceeding, had no reason to believe that the conduct complained of was lawful. Notwithstanding the foregoing, it is a condition precedent

to the Company's obligations in this Section 2.6 that within 60 days after institution of any such action, suit or proceeding, the Administrator or Committee member shall, in writing, offer the Company the opportunity at its own expense to handle and defend the action, suit or proceeding.

ARTICLE 3
SHARES SUBJECT TO THE PLAN

3.1 **Share Reserve.** Subject to adjustment under Section 10.1, the maximum aggregate number of shares of Common Stock that may be issued upon exercise of all Awards under the Plan is 15,000 shares, all of which may be used for Incentive Stock Options or any other Awards.

3.2 **Return of Shares to the Share Reserve.** If any Award for any reason is cancelled, expires or otherwise terminates, in whole or in part, the shares of Common Stock not acquired under the Award will revert to and again become available for issuance under the Plan. If the Company reacquires shares of Common Stock issued under the Plan under the terms of any forfeiture provision, including the Right of Repurchase of unvested Common Stock under Section 12.7, those shares will again be available for purposes of the Plan. Each share of Common Stock subject to any Award granted hereunder will be counted against the share reserve set forth in Section 3.1 on the basis of one share for every share subject thereto. Notwithstanding anything in the Plan to the contrary, shares of Common Stock used to pay the required Exercise Price or tax obligations or shares not issued in connection with settlement of an Option or SAR or that are used or withheld to satisfy tax obligations of the Participant, will not be available again for other Awards under the Plan. Awards or portions thereof that are settled in cash and not in shares of Common Stock will not be counted against the foregoing maximum share limitations. Notwithstanding anything in this Article 3 to the contrary and subject to adjustment under Section 10.1, the maximum number of shares of Common Stock that may be issued on the exercise of Incentive Stock Options will equal the aggregate number of shares stated in Section 3.1 plus, to the extent permitted under Section 422 of the Code and the Treasury regulations thereunder, any shares that become available for issuance under the Plan under this Section 3.2.

3.3 **Source of Shares.** The shares that may be issued pursuant to Awards will consist of shares of the Company's authorized but unissued Common Stock and any shares of Common Stock held by the Company as treasury shares.

ARTICLE 4
ELIGIBILITY

4.1 **Awards other than Options and SARs.** Restricted Awards, Performance Awards and other Stock-Based Awards may be granted to any Employee, Director or Consultant of the Company or any Related Company.

4.2 **Nonqualified Stock Options and Stock Appreciation Rights.** Nonqualified Stock Options and SARs may be granted only to Employees, Directors or Consultants of the Company or of a direct or indirect majority-owned subsidiary of the Company with respect to which the Company, on the Date of Grant, is an "eligible issuer" under Treasury Regulation section 1.409A-1(b)(5)(iii)(E)(1).

4.3 **Incentive Stock Options.** Incentive Stock Options may be granted only to Employees of the Company or any corporation that, on the Date of Grant, is a "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Sections 424(e) and 424(f), respectively.

4.4 **Code Section 162(m) Limitation.**

(a) Subject to capitalization adjustment under Section 10.1, on and after the date of the first to occur of the events set forth in subsection (b), no Employee may be granted Awards covering more than 3,500 shares in the aggregate during any calendar year.

(b) Notwithstanding the foregoing, Section 4.4(a) will not apply until the first to occur, on or after the first date on which any class of the Company's common equity securities is required to be registered under Section 12 of the Exchange Act (determined based solely on whether, as of the last day of its taxable year, the Company is subject to the reporting obligations of Section 12 of the Exchange Act other than due to a voluntary registration) of the following:

(i) the first material modification of the Plan (including any increase in the number of shares of Common Stock reserved for issuance under the Plan);

(ii) the issuance of all of the shares of Common Stock reserved for issuance under the Plan;

(iii) the first meeting of stockholders at which Directors are to be elected occurring after the close of the third calendar year following (A) the calendar year in which the Company's initial public offering (within the meaning of Section 12(f)(1)(G) of the Exchange Act) occurs, or (B) if the Company becomes subject to the registration requirements of Section 12 of the Exchange Act without an initial public offering, the first calendar year following the calendar year in which the Company is first required to register any equity security under Section 12 of the Exchange Act; or

(iv) such other date as may be required by Code Section 162(m) and the rules and regulations issued thereunder.

Notwithstanding the foregoing, if the Company first becomes subject to Section 12 of the Exchange Act in connection with an initial public offering, then Section 4.4(a) will apply on and after the date on which the Company first becomes subject to Section 12 of the Exchange Act unless the prospectus accompanying the initial public offering discloses information concerning the Plan that satisfies all applicable securities laws then in effect.

4.5 **Director Awards.** Each non-employee Director of the Company will be eligible to receive discretionary grants of Awards under the Plan. If the Board or the compensation committee of the Board separately has adopted or in the future adopts a compensation policy covering some or all non-employee Directors that provides for a predetermined formula grant that specifies the type of Award, the timing of the Date of Grant and the number of shares of Common Stock to be awarded under the terms of the Plan, that formula grant will be incorporated herein by reference and will be administered as if provided under the terms of the Plan without any requirement that the Administrator separately take action to determine the terms of those Awards.

ARTICLE 5
STOCK OPTIONS

Each Option will be in such form and will contain such terms and conditions as the Administrator deems appropriate. All Options will be separately designated Incentive Stock Options or Nonqualified Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. Notwithstanding the foregoing, the Company will have no liability to any Participant or any other Person if an Option designated as an Incentive Stock Option fails to qualify as an Incentive Stock Option at any time. The provisions of separate Options need not be identical, but each Option will include (through incorporation of provisions hereof by reference in the Option or otherwise) the substance of each of the following provisions:

5.1 **Term and Expiration.** No Option may be exercisable later than 10 years after the Date of Grant, and no Incentive Stock Option granted to a Ten Percent Stockholder may be exercisable later than five years after the Date of Grant.

5.2 **Exercise Price.** The Exercise Price for each Option shall be equal to or greater than the Fair Market Value on the Date of Grant; provided that the Exercise Price for an Incentive Stock Option granted to a Ten Percent Stockholder shall be no less than 110% of the Fair Market Value on the Date of Grant. Notwithstanding the foregoing, an Option granted pursuant to an assumption or substitution for another stock option in a manner satisfying the provisions of Section 424(a) of the Code, as if the Option was a statutory stock option, may be granted with an Exercise Price lower than the Fair Market Value on the Date of Grant.

5.3 **Consideration.** The Exercise Price for shares of Common Stock purchased under an Option will be paid in cash or by certified or bank check at the time the Option is exercised, or, to the extent permitted by applicable laws and regulations, in the Administrator's sole discretion and on such terms as the Administrator approves: (a) by delivery (by actual delivery or by attestation) to the Company of previously-acquired shares of Common Stock, duly endorsed for transfer to the Company, with a Fair Market Value on the date of delivery equal to the aggregate Exercise Price due for the number of shares being purchased; (b) if the Common Stock is readily tradable on an Established Securities Market, by a copy of instructions directing a broker to sell shares for which the Option is exercised and to remit to the Company the aggregate Exercise Price due for the number of shares being purchased; (c) by directing the Company to withhold from transfer the number of shares of Common Stock that otherwise would have been delivered by the Company on exercise of the Option having a Fair Market Value equal to all or part of the aggregate Exercise Price due on exercise, in which case the Option will be surrendered and cancelled with respect to the shares of Common Stock retained as well as the shares delivered; or (d) in any other form of legal consideration that may be acceptable to the Administrator, including without limitation with a full-recourse promissory note, subject to any requirements of applicable law that the par value (if any) of shares of Common Stock, if newly issued, be paid in cash or cash equivalents.

The interest rate payable under the terms of a promissory note will not be less than the minimum rate (if any) required to avoid the imputation of additional interest under the Code. Subject to the foregoing, the Administrator (in its sole discretion) will specify the term, interest rate, amortization requirements (if any) and other provisions of the note. Unless the Administrator determines otherwise, the holder will be required to pledge to the Company shares of Common Stock having an aggregate Fair Market Value equal to or greater than the principal amount of the loan as security for payment of the unpaid balance of the loan, which pledge must be evidenced by a pledge agreement, the terms of which the Administrator will determine, in its discretion; except that each loan must comply with all applicable laws, regulations and rules of the Board of Governors of the Federal Reserve System and any other governmental agency having jurisdiction. Unless the Administrator determines otherwise, the purchase price of shares of Common Stock acquired under an Option that is paid by delivery (or attestation) to the Company of other shares acquired, directly or indirectly, from the Company, will be paid only by shares of Common Stock that satisfy any requirements necessary to avoid liability award accounting treatment.

Notwithstanding the foregoing, at any time that the Company is an "issuer" as defined in Section 2 of the Sarbanes-Oxley Act of 2002, no Director or Officer (or equivalent thereof) of the Company or a Related Company will be permitted to pay any portion of the Exercise Price with a promissory note or in any other form that could be deemed prohibited personal loan under Section 13(k) of the Exchange Act. Unless otherwise provided in the terms of an Award Agreement, payment of the Exercise Price by a Participant who is an Officer, a Director or otherwise subject to Section 16 of the Exchange Act, by delivery or attestation to the Company of other shares of Common Stock acquired, directly or indirectly, from the Company is subject to pre-approval by the Administrator, in its sole discretion. The Administrator will document any suchpre-approval in the case of a Participant who is an Officer or Director in a manner that complies with the specificity requirements of Rule 16b-3 under the Exchange Act, including the name of the Participant involved in the transaction, the nature of the transaction, the number of shares to be acquired or disposed of by the Participant and the material terms of the Options involved in the transaction.

5.4 **Vesting**. The Option may, but need not, vest and therefore become exercisable in periodic installments that may, but need not, be equal. The Option may be subject to such other terms and conditions on the time or times when it may be exercised (which may be based on performance or other criteria) as the Administrator determines to be appropriate. The vesting provisions of individual Options may vary. The Administrator may, but will not be required to, provide that no Option may be exercised for a fraction of a share of Common Stock. The Administrator may, but will not be required to, provide for an acceleration of vesting and exercisability in the terms of the Award Agreement for any Option upon the occurrence of a specified event. Unless otherwise specified in the terms of any Award Agreement, each Option granted pursuant to the terms of the Plan will become exercisable at a rate of 25% per year over the four-year period commencing on the Date of Grant of the Option.

5.5 **Incentive Stock Option $100,000 Limitation.** To the extent that the aggregate Fair Market Value of Common Stock on the Date of Grant with respect to which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Company and any "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Section 424(e) and (f)) exceeds $100,000, the Options or portions thereof which exceed that limit (according to the order in which they were granted) will be treated as Nonqualified Stock Options.

5.6 **Early Exercise.** The Option may, but need not, include a provision whereby the Participant may elect at any time before the Participant's Continuous Service terminates to exercise the Option as to any part or all of the shares of Common Stock subject to the Option prior to the full vesting of the Option. In that case, the shares of Common Stock acquired on exercise will be subject to the vesting schedule that otherwise would apply to determine the exercisability of the Option. Any unvested shares of Common Stock so purchased may be subject to any other restriction the Administrator determines to be appropriate.

5.7 **Employee Transfer, Approved Leave of Absence.** For purposes of Incentive Stock Options, no termination of employment by an Employee will be deemed to result from either (a) a transfer to the employment of the Company from a "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Section 424(e) and (f), from the Company to a parent or subsidiary corporation or from one parent or subsidiary corporation to another; or (b) an approved leave of absence for military service or sickness or for any other purpose approved by the Company, if the period of leave does not exceed three months or, if longer, the Employee's right to re-employment is guaranteed either by a statute or by contract.

5.8 **Disqualifying Dispositions.** Each Participant awarded an Incentive Stock Option will be required to immediately notify the Company in writing as to the occurrence of a disqualifying disposition of any shares of Common Stock acquired by exercise of the Incentive Stock Option, and the price realized on the disqualifying disposition of those shares. A "***disqualifying disposition"*** is any disposition (including, without limitation, any sale or transfer) before the later of (i) two years after the Date of Grant of the Incentive Stock Option or (ii) one year after the issuance of the shares acquired by exercise of the Incentive Stock Option. The Company may, if determined by the Administrator and in accordance with procedures established by the Administrator, retain possession of any shares of Common Stock acquired by exercise of an Incentive Stock Option as agent for the applicable Participant until the end of the period described in the preceding sentence.

ARTICLE 6
AWARDS OTHER THAN OPTIONS

6.1 **Restricted Awards.** A Restricted Award is an Award of Restricted Stock or Restricted Stock Units, which provides that, except as otherwise provided in Section 12.4 with respect to Permitted Transferees, the Restricted Award may not be sold, assigned, transferred or otherwise disposed of, pledged or otherwise encumbered for the period (the "***Restricted Period")*** determined by the Administrator. Each Restricted Award will be in such form and will contain such terms, conditions, and Restricted Periods as the Administrator determines to be appropriate, including the treatment of dividends or dividend equivalents, as the case may be. The Administrator in its discretion may provide for the acceleration of the end of the Restricted Period in the terms of any Restricted Award, at any time, including in the event of a Change in Control. The terms and conditions of the Restricted Award may change from time to time, and the terms and conditions of separate Restricted Awards need not be identical, but each Restricted Award must include (through incorporation of provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(a) **Payment for Restricted Awards.** The purchase price of shares of Common Stock acquired under a Restricted Award, if any, will be determined by the Administrator, and may be stated as cash, property or prior or future services rendered to the Company or a Related Company for its benefit. Shares of Common Stock acquired in connection with a Restricted Award may be issued for such consideration, having a value not less than the par value thereof, as may be determined by the Administrator. Required consideration for Common Stock acquired in connection with a Restricted Award may be paid: (i) in cash at the time of purchase; or (ii) in any other form of legal consideration that may be acceptable to the Administrator in its discretion including, without limitation, a recourse promissory note, property or prior or future services that the Administrator determines have a value at least equal to the purchase price of the Restricted Award. Notwithstanding the foregoing, at any time that the Company is an "issuer" as defined in Section 2 of the Sarbanes-Oxley Act of 2002, no Director or executive officer (or equivalent thereof) of the Company or a Related Company will be permitted to pay any portion of the purchase price for shares of Common Stock acquired under a Restricted Award with a promissory note or in any other form that could be deemed prohibited personal loan under Section 13(k) of the Exchange Act.

(b) **Vesting.** The Restricted Award, and any shares of Common Stock acquired thereunder, may, but need not, be subject to a Restricted Period that specifies a Right of Repurchase in favor of the Company, or forfeiture where the consideration was in the form of services, in accordance with a vesting schedule to be determined by the Administrator. The Administrator in its discretion may provide for an acceleration of vesting in the terms of any Restricted Award, at any time, including upon a Change in Control. The Administrator in its discretion may grant a Restricted Award that is, in whole or in part, vested upon grant and not subject to a Restricted Period.

(c) **Concurrent Tax Payment.** The Administrator, in its sole discretion, may (but will not be required to) provide for payment of a concurrent cash award in an amount equal, in whole or in part, to the estimated after-tax amount required to satisfy applicable federal, state or local tax withholding obligations arising from the receipt and deemed vesting of Restricted Stock for which an election under Code Section 83(b) may be required.

(d) **Lapse of Restrictions.** Upon the expiration or termination of the Restricted Period and the satisfaction of any other conditions prescribed by the Administrator (including, without limitation, the Participant's satisfaction of applicable tax withholding obligations attributable to the Award), the restrictions applicable to the Restricted Award will lapse and a stock certificate for the number of shares of Common Stock with respect to which the restrictions have lapsed will be delivered, free of any restrictions except those that may be imposed by law, the terms of the Plan or the terms of a Restricted Award, to the Participant or the Participant's beneficiary or estate, as the case may be, unless the Restricted Award is subject to a deferral condition that complies with Section 409A of the Code and the regulations thereunder as may be allowed or required by the Administrator in its sole discretion. The Company will not be required

to deliver any fractional share of Common Stock but shall pay, in lieu thereof, the Fair Market Value of the fractional share in cash to the Participant or the Participant's beneficiary or estate, as the case may be. With respect only to Restricted Stock Units, unless otherwise subject to a deferral condition that complies with Section 409A of the Code, the Common Stock certificate will be issued and delivered and the Participant will be entitled to the beneficial ownership rights of the Common Stock not later than (i) the date that is 2 ½ months after the end of the Participant's taxable year (or the end of the Company's taxable year, if later) for which the Restricted Period ends and the Restricted Stock Unit is no longer subject to a substantial risk of forfeiture, or (ii) such earlier date as may be necessary to avoid application of Section 409A of the Code to the Award.

(e) **Dividends on Restricted Stock Units.** In the case of Restricted Stock Units, the Participant will not be entitled to receive dividends or dividend equivalents unless the Award Agreement specifically provides therefor.

(f) **Delivery of Restricted Stock.** Shares of Restricted Stock will be delivered to the Participant on the Date of Grant either by book-entry registration or by delivering to the Participant, or to a custodian or escrow agent (including, without limitation, the Company or one or more of its Employees) designated by the Administrator, a stock certificate or certificates registered in the name of the Participant. If physical certificates representing shares of the Restricted Stock are registered in the name of the Participant, such certificates must bear an appropriate legend referring to the terms, conditions and restrictions applicable to such shares of Common Stock.

6.2 **Performance Awards.**

(a) **Nature of Performance Awards.** A Performance Award is an Award that will vest only on the attainment of specified performance goals. The Administrator may make Performance Awards independent of or in connection with the granting of any other Award under the Plan. A Performance Award may be granted under the Plan to any Participant, including a Participant who qualifies for awards under other performance plans of the Company. The Administrator in its sole discretion will determine whether and to whom Performance Awards will be made, the performance goals applicable under each Performance Award, the period or periods during which performance is to be measured, and all other limitations and conditions applicable to Performance Awards. The Administrator, in its discretion, may rely on the performance goals and other standards applicable to other performance plans of the Company in setting the standards for Performance Awards under the Plan.

(b) **Performance Goals.**

(i) A performance goal will be based on apre-established objective formula or standard that specifies the manner of determining the number of shares of Common Stock under the Performance Award that will be granted or will vest if the performance goal is attained. The Administrator shall determine the performance goal before the time that 25% of the service period has elapsed, but not later than 90 days after the commencement of the service period to which the performance goal relates.

(ii) A performance goal may be based on one or more of the following business criteria, which may be applied to a Participant, a business unit or the Company and its Related Companies: revenue; sales; earnings before all or any of interest expense, taxes, depreciation and/or amortization ("EBIT," "EBITA," or "EBITDA"); funds from operations; funds from operations per share; operating income; operating income per share; pre-tax or after-tax income; net cash provided by operating activities; cash available for distribution; cash available for distribution per share; working capital and components thereof; sales (net or gross) measured by product line, territory, customer or customers or other category; return on equity or average stockholders' equity; return on assets; return on capital; enterprise value or economic value added; share price performance; improvements in the Company's attainment of expense levels; implementation or completion of critical projects; improvement in cash-flow (before or after tax); net earnings; earnings per share; earnings from continuing operations; net worth; credit rating; levels of expense, cost or liability by category, operating unit or any other delineation; or any increase or decrease of one or more of the foregoing over a specified period; or the occurrence of a Change in Control.

(iii) A performance goal may be measured over a performance period on a periodic, annual, cumulative or average basis and may be established on a corporate-wide basis or with respect to one or more operating units, divisions, subsidiaries, acquired businesses, minority investments, partnerships or joint ventures. More than one performance goal may be incorporated in a performance objective, in which case achievement with respect to each performance goal may be assessed individually or in combination with each other. The Administrator may, in connection with the establishment of performance goals for a performance period, establish a matrix setting forth the relationship between performance on two or more performance goals and the amount of the Performance Award payable for that performance period. The level or levels of performance specified with respect to a performance goal may be established in absolute terms, as objectives relative to performance in prior periods, as an objective compared to the performance of one or more comparable companies or an index covering multiple companies on a per share basis, against the performance of the Company as a whole or against particular entities, segments, operating units or products of the Company, on a pre-tax or after-tax basis, in tandem with any other performance goal, or otherwise as the Administrator may determine. The Administrator may, in connection with the establishment of performance goals for a performance period, specify one or more adjustments to any of the business criteria specified in Section 6.2(b)(ii).

(iv) Performance goals will be objective and, if the Company is required to be registered under Section 12 of the Exchange Act, will otherwise meet the requirements of Section 162(m) of the Code. Performance goals may differ for Performance Awards granted to any one Participant or to different Participants. A Performance Award to a Participant who is a Covered Employee or is reasonably anticipated to become a Covered Employee during the term of the Award will (unless the Administrator determines otherwise) provide that if the Participant's Continuous Service ceases before the end of the performance period for any reason, the Award will be payable only (A) if the applicable performance objectives are achieved; and (B) to the extent, if any, determined by the

Administrator. These objective performance goals are not required to be based on increases in a specific business criterion, but may be based on maintaining the status quo or limiting economic losses. With respect to any Participant who is not a Covered Employee or expected to become a Covered Employee during the term of the Award, the Administrator may establish additional objective or subjective performance goals.

(v) The Administrator may provide in any Performance Award that any evaluation of performance may include or exclude the effect, if any, on reported financial results of any of the following events that occurs during a performance period: (A) asset write-downs; (B) litigation or claim judgments or settlements; (C) changes in tax laws, accounting principles or other laws or provisions; (D) reorganization or restructuring programs, including share repurchasing programs; (E) acquisitions or divestitures; (F) foreign currency exchange translations gains and losses; (G) revenue or earnings attributable to minority ownership in another entity or (H) gains and losses that are treated as extraordinary items under Accounting Standards Codification Topic 225. To the extent such inclusions or exclusions affect a Performance Award to a Participant who is a Covered Employee or is reasonably anticipated to become a Covered Employee during the term of the Award, they shall be prescribed in a form that meets the requirements of Code Section 162(m) for deductibility.

(c) **Satisfaction of Performance Goals.** A Participant will be entitled to receive a stock certificate evidencing the acquisition of shares of Common Stock under a Performance Award only upon satisfaction of all conditions specified in the written instrument evidencing the Performance Award (or in a performance plan adopted by the Administrator), including, without limitation, the Participant's satisfaction of applicable tax withholding obligations attributable to the Award. With respect only to a Performance Award that is denominated in hypothetical Common Stock units, the Common Stock certificate will be issued and delivered and the Participant will be entitled to the beneficial ownership rights of the Common Stock not later than (i) the date that is 2 ½ months after the end of the Participant's taxable year (or the end of the Company's taxable year, if later) for which the Administrator certifies that the Performance Award conditions have been satisfied and the Performance Award is no longer subject to a substantial risk of forfeiture, and (ii) such earlier date as may be necessary to avoid application of Section 409A of the Code to the Award.

(d) **Acceleration, Waiver, Etc.** Until the first date on which any class of the Company's common equity securities is required to be registered under Section 12 of the Exchange Act, and at any time with respect to any Participant who is not (and is not expected to become during the term of the Award) a Covered Employee, at any time before the Participant's termination of Continuous Service by the Company and its Related Companies, the Administrator may in its sole discretion accelerate, waive or, subject to Article 11 hereof, amend any or all of the goals, restrictions or conditions imposed under any Performance Award. The Administrator in its discretion may provide for an acceleration of vesting in the terms of any Performance Award at any time, including upon a Change in Control. Notwithstanding the foregoing, with respect to any Participant who is, or is expected to become during the term of the Award, a Covered Employee, no amendment or waiver of the performance goal will be permitted, and no acceleration of payment (other than in the form of Common Stock) will be permitted, after the first date on which any class of the Company's common equity securities is required to be registered under Section 12 of the Exchange Act, unless the performance goal has been attained and the Award is discounted to reasonably reflect the time value of money attributable to the acceleration.

(e) **Certification**. Following the completion of each performance period, the Administrator shall certify in writing, in accordance with the requirements of Section 162(m) of the Code, whether the performance objectives and other material terms of a Performance Award have been achieved or met. Unless the Administrator determines otherwise, Performance Awards will not be settled until the Administrator has made the certification specified under this Section 6.2(e).

6.3 **Stock Appreciation Rights**.

(a) **General**. A SAR may be granted either alone or in tandem with all or part of an Option. A SAR granted in tandem with a Nonqualified Stock Option may be granted at or after the time of grant of the related Option, but a SAR granted in tandem with an Incentive Stock Option may be granted only at the time of the grant of the related Option.

(b) **Grant Requirements**. A SAR may be granted only if it does not provide for the deferral of compensation within the meaning of Section 409A of the Code. A SAR does not provide for a deferral of compensation if: (i) the Strike Price may never be less than the Fair Market Value on the Date of Grant, (ii) the compensation payable under the SAR can never be greater than the difference between the Fair Market Value on the date of exercise and the Strike Price, (iii) the number of shares of Common Stock subject to the SAR is fixed on the Date of Grant, and (iv) the SAR does not include any feature for the deferral of compensation other than the deferral of recognition of income until the exercise of the right. No dividends or dividend equivalents may be paid on any outstanding SAR.

(c) **Strike Price**. The Administrator will determine the Strike Price of a SAR, which in the case of a SAR granted independent of any Option will not be less than the Fair Market Value on the Date of Grant. The Strike Price of a SAR granted in tandem with an Option will be the Exercise Price of the related Option. A SAR granted in tandem with an Option will be exercisable only to the same extent as the related Option, provided that by its terms, such SAR will be exercisable only when the Fair Market Value exceeds the Strike Price of the SAR.

(d) **Vesting**. The SAR will be subject to a Restricted Period that specifies a forfeiture in accordance with a vesting schedule to be determined by the Administrator. The Administrator in its discretion may provide for an acceleration of vesting in the terms of any SAR upon a specified event, including without limitation a Change in Control.

(e) **Exercise and Settlement**. Upon delivery to the Administrator of a written request to exercise a SAR, the holder will be entitled to receive from the Company, an amount equal to the product of (i) the excess of the Fair Market Value on the date of exercise over the Strike Price specified in the Award Agreement, multiplied by (ii) the number of shares of Common Stock for which the SAR is being exercised. Settlement with respect to the exercise of a SAR will be on the date of exercise and may be made in the form of shares of Common Stock valued at Fair Market Value on the date of exercise (with or without restrictions as to substantial risk of forfeiture and transferability, as determined by the Administrator in its sole discretion), cash or a combination of Common Stock and cash, as determined by the Administrator in its sole discretion.

(f) **Reduction in the Underlying Option Shares**. On the exercise of a SAR granted in tandem with an Option, the number of shares of Common Stock for which the related Option is exercisable will be reduced by the number of such shares for which the SAR has been exercised. The number of shares of Common Stock for which a tandem SAR is exercisable will be reduced on any exercise of any related Option by the number of such shares for which the Option has been exercised.

(g) **Written Request**. Unless otherwise determined by the Administrator in its sole discretion, SARs will be settled in shares of Common Stock. If permitted in the Award Agreement, a Participant may request that any exercise of a SAR be settled for cash, but a Participant will not have any right to demand a cash settlement. A request for a cash settlement may be made only by a written request filed with the Corporate Secretary of the Company during the period beginning on the third business day following the date of release for publication by the Company of quarterly or annual summary statements of earnings and ending on the twelfth business day following that date. Within 30 days of the receipt by the Company of a written request to receive cash in full or partial settlement of a SAR or to exercise the SAR for cash, the Administrator will, in its sole discretion, either consent to or disapprove, in whole or in part, the written request. A written request to receive cash in full or partial settlement of a SAR or to exercise a SAR for cash may provide that, if the Administrator disapproves the written request, the written request will be treated as an exercise of the SAR for shares of Common Stock.

(h) **Disapproval by Administrator**. If the Administrator disapproves in whole or in part any request by a Participant to receive cash in full or partial settlement of a SAR or to exercise the SAR for cash, the disapproval will not affect the Participant's right to exercise the SAR at a later date, to the extent that it would be otherwise exercisable, or to request a cash form of payment at a later date, in each case subject to the approval of the Administrator. Additionally, the disapproval will not affect the Participant's right to exercise any related Option.

6.4 **Other Stock-Based Awards**. The Administrator may, either alone or in connection with the grant of other Awards, grant other stock-based Awards not otherwise described in Article 5 or Article 6 that are payable in, valued in whole or in part by reference to, or are otherwise based on shares of Common Stock, as deemed by the Administrator consistent with the purpose of the Plan. The Administrator shall determine the terms and conditions of any such Award.

ARTICLE 7
TREATMENT OF AWARDS ON TERMINATION OF CONTINUOUS SERVICE

7.1 **Unvested Awards Generally**. Unless otherwise provided in an Award Agreement or in an employment or service agreement the terms of which have been approved by the Administrator, if a Participant's Continuous Service terminates for any reason, the Participant will forfeit the unvested portion of any Award acquired in consideration of services, all unvested shares of Common Stock held by the Participant as of the date of termination under the terms of any Award will be forfeited or, if applicable, may be repurchased by the Company as provided under Section 12.7, and the Participant will have no rights with respect to any Award or shares of Common Stock so forfeited or repurchased.

7.2 **Options and SARs**.

(a) **Other than for Cause, death or Disability**. Unless otherwise provided in an Award Agreement or in an employment or service agreement the terms of which have been approved by the Administrator, if a Participant's Continuous Service is terminated for any reason other than the Participant's death or Disability or by the Company for Cause, the Participant may exercise his or her Option or SAR (to the extent vested and exercisable as of the date of termination) during the period ending on the earlier of (i) the date that is three months after the termination of the Participant's Continuous Service or (ii) the expiration of the original term of the Award as set forth in the Award Agreement. Any unexercised Option or SAR held by the Participant will automatically terminate at the close of business on the last day of such period and will thereafter not be exercisable.

(b) **For Cause**. If the Participant's Continuous Service is terminated by the Company or a Related Company for Cause, all outstanding Options and SARs (whether or not vested) will be forfeited and expire as of the beginning of business on the date of termination.

(c) **Participant Death or Disability**. Unless otherwise provided in an Award Agreement or in an employment or service agreement the terms of which have been approved by the Administrator, if a Participant's Continuous Service is terminated as a result of the Participant's death or Disability, the Participant's Option or SAR may be exercised (to the extent vested and exercisable as of the date of termination) by the Participant or the Participant's estate, designated beneficiary or such other Person who acquired the right to exercise the Award by bequest or inheritance, but only during the period ending on the earlier of (i) the date that is 12 months following the date of termination or (ii) the expiration of the original term of the Award as set forth in the Award Agreement. Any unexercised Option or SAR held by the Participant or such other Person will terminate at the end of such period.

(d) **Extension of Option or SAR Termination Date**. An Award Agreement may provide that if the exercise of an Option or SAR following the termination of the Participant's Continuous Service for any reason (other than on the Participant's death or Disability or termination by the Company for Cause) would violate any applicable federal, state or local law, the Option or SAR will terminate only on the earlier of (i) the expiration of the original term of the Option or SAR or (ii) the date that is 30 days after the exercise of the Option or SAR would no longer violate any applicable federal, state or local law.

ARTICLE 8
COVENANTS OF THE COMPANY

8.1 **Availability of Shares**. During the terms of the Awards, the Company shall keep available at all times the number of shares of Common Stock required to satisfy the Awards.

8.2 **Securities Law Compliance**. Each Award Agreement will provide that no shares of Common Stock may be purchased or sold thereunder unless and until any then applicable requirements of state, federal or applicable foreign laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel. The Company shall use reasonable efforts to seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Awards and to issue and sell shares of Common Stock upon exercise of Awards; however, this undertaking will not require the Company to register under the Securities Act the Plan, any Award or any Common Stock issued or issuable pursuant to any Award. If, after reasonable efforts, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise of any Awards unless and until that authority is obtained.

ARTICLE 9
USE OF PROCEEDS FROM AWARDS

Proceeds from the sale of Common Stock under the Plan will constitute general funds of the Company.

ARTICLE 10
ADJUSTMENTS UPON CHANGES IN STOCK

10.1 **Capitalization Adjustments.** If any change is made in the Common Stock without the receipt of consideration by the Company (through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other transaction not involving the receipt of consideration by the Company), then (a) the aggregate number of shares of Common Stock or class of shares that may be purchased pursuant to Awards granted hereunder, (b) the aggregate number of shares of Common Stock or class of shares that may be purchased pursuant to Incentive Stock Options granted hereunder, (c) the number and/or class of shares of Common Stock covered by outstanding Awards, (d) the maximum number of shares of Common Stock with respect to which Awards may be granted to any single Person during any calendar year, and (e) the Exercise Price of any Option and the Strike Price of any SAR in effect prior to the change shall be proportionately adjusted by the Administrator to reflect any increase or decrease in the number of issued shares of Common Stock or change in the Fair Market Value of the Common Stock resulting from the transaction; provided, however, that any fractional shares resulting from the adjustment shall be aggregated until, and eliminated at, the time of exercise or settlement by rounding down. The Administrator shall make these adjustments in a manner that will provide an appropriate adjustment that neither increases nor decreases the value of the Award as in effect immediately prior to the corporate change, and its determination will be final, binding and conclusive. The conversion of any securities of the Company that are by their terms convertible will not be treated as a transaction "without receipt of consideration" by the Company.

10.2 **Dissolution or Liquidation.** In the event of a dissolution or liquidation of the Company, then, subject to Section 10.3, all outstanding Awards will terminate immediately before the dissolution or liquidation.

10.3 **Change in Control – Asset Sale, Merger, Consolidation or Reverse Merger**. In the event of a Change in Control, a dissolution or liquidation of the Company, an exchange of securities or any corporate separation or division, including, but not limited to, a split-up, a split-off or a spin-off or a sale, in one or a series of related transactions, of all or substantially all of the assets of the Company; a merger or consolidation in which the Company is not the Surviving Entity; or a reverse merger in which the Company is the Surviving Entity, but the shares of Common Stock outstanding immediately preceding the merger are converted by virtue of the merger into other property, whether in the form of securities, cash or otherwise, then the Company, to the extent permitted by applicable law, but otherwise in the sole discretion of the Administrator may provide for: (a) the continuation of outstanding Awards by the Company (if the Company is the Surviving Entity); (b) the assumption of the Plan and the outstanding Awards by the Surviving Entity or its parent; (c) the substitution by the Surviving Entity or its parent of awards with substantially the same terms (including an award to acquire the same consideration paid to the stockholders in the transaction described in this Section 10.3) for the outstanding Awards and, if appropriate, subject to the equitable adjustment provisions of Section 10.1; (d) the cancellation of the outstanding Awards in consideration for a payment (in the form of securities, cash or such other consideration and under the same terms and conditions as is paid to the stockholders of the Company in the transaction) equal in value to the Fair Market Value of vested Awards, or in the case of an outstanding Option or SAR, the difference between the Fair Market Value and the Exercise Price or Strike Price for all shares of Common Stock subject to exercise (i.e., to the extent vested) under the Option or SAR; or (e) the cancellation of the outstanding Awards without payment of any consideration. If Options or SARs would be canceled without consideration for vested Awards, the Participant will have the right, exercisable during the later of the 10-day period ending on the fifth day prior to the merger or consolidation or 10 days after the Administrator provides the Participant a notice of cancellation, to exercise the Option or SAR in whole or in part without regard to any installment exercise provisions in the applicable Award Agreement.

ARTICLE 11
AMENDMENT OF THE PLAN AND AWARDS

11.1 **Amendment of Plan**. The Board or an authorized committee of the Board at any time may amend or terminate the Plan. However, except as provided in Section 10.1 relating to adjustments upon changes in Common Stock, no amendment will be effective unless approved by the stockholders of the Company to the extent stockholder approval is necessary to satisfy any applicable law or any securities exchange listing requirements. At the time of any amendment, the Board or its authorized committee shall determine, upon advice from counsel, whether the amendment will be contingent on stockholder approval.

11.2 **Stockholder Approval**. The Board may, in its sole discretion, submit any other amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of Section 162(m) of the Code and the regulations thereunder regarding the exclusion of performance-based compensation from the limit on corporate deductibility of compensation paid to certain executive officers.

11.3 **Contemplated Amendments**. It is expressly contemplated that the Board or an authorized committee of the Board may amend the Plan in any respect the Board or its authorized committee determines necessary or advisable to provide eligible Employees with the maximum benefits provided or to be provided under the provisions of the Code and the regulations issued thereunder relating to Incentive Stock Options or to the nonqualified deferred compensation provisions of Section 409A of the Code and to bring the Plan and Awards granted hereunder into compliance therewith. Notwithstanding the foregoing, neither the Board nor the Company nor any Related Company will have any liability to any Participant or any other Person as to (a) any tax consequences expected, but not realized, by a Participant or any other Person due to the receipt, exercise or settlement of any Award granted hereunder; or (b) the failure of any Award to comply with Section 409A of the Code.

11.4 **Amendment of Awards.** The Administrator at any time may amend the terms of any one or more Awards. However, subject to Section 11.5, no amendment may impair the rights under any Award granted before the amendment. Except as otherwise permitted under Article 10, unless stockholder approval is obtained: (a) no amendment or modification may reduce the Exercise Price of any Option or the Strike Price of any SAR; (b) the Administrator may not cancel any outstanding Option or SAR and replace it with a new Option or SAR, another Award or cash, if doing so would be considered a "repricing" for purposes of the stockholder approval rules of the applicable securities exchange or inter-dealer quotation system on which the Common Stock is listed or quoted; and (c) the Administrator may not take any other action that is considered a repricing for purposes of the stockholder approval rules of the applicable securities exchange or inter-dealer quotation system on which the Common Stock is listed or quoted.

11.5 **No Impairment of Rights.** No amendment of the Plan or an Award may impair rights under any Award granted before the amendment unless (a) the Company requests the consent of the Participant and (b) the Participant consents in writing. For the avoidance of doubt, a cancellation of an Award where the Participant receives a payment equal in value to the Fair Market Value of the vested Award or, in the case of vested Options or SAR, the difference between the Fair Market Value and the Exercise Price or Strike Price, is not an impairment of the Participant's rights that requires consent of the Participant.

ARTICLE 12
GENERAL PROVISIONS

12.1 **Acceleration of Exercisability and Vesting.** The Administrator has the power to accelerate the time at which an Award may first be exercised or the time during which an Award or any part thereof will vest in accordance with the Plan, notwithstanding the provisions in the Award stating the time at which it may first be exercised or the time during which it will vest.

12.2 **Stockholder Rights.** Except as provided in Section 10.1 hereof or as otherwise provided in an Award Agreement, no Participant will be considered the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to an Award unless and until the Participant has satisfied all requirements for exercise, payment or delivery of the Award, as applicable, pursuant to its terms, and no adjustment will be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions of other rights for which the record date is prior to the date of issue of a Common Stock certificate.

12.3 **No Employment or Other Service Rights.**Nothing in the Plan or any instrument executed or Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or a Related Company in the capacity in effect at the time the Award was granted or will affect the right of the Company or a Related Company to terminate (a) the employment of an Employee with or without notice and with or without Cause; (b) the service of a Consultant pursuant to the terms of the Consultant's agreement with the Company or a Related Company; or (c) the service of a Director pursuant to the Bylaws of the Company or a Related Company, and any applicable provisions of the corporate law of the state in which the Company or the Related Company is incorporated, as the case may be.

12.4 **Limits on Transfer.**

(a) Each Award will be exercisable during the Participant's lifetime only by the Participant, or, if permissible under applicable law, by the Participant's legal guardian or representative. No Award may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant other than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance will be void and unenforceable against the Company or any Related Company; provided that the designation of a beneficiary will not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

(b) Notwithstanding the foregoing, the Administrator may, in its sole discretion, permit a Participant to transfer an Award (other than an Incentive Stock Option) by gift or domestic relations order, without consideration, to a Permitted Transferee, subject to such rules as the Administrator may adopt consistent with any applicable Award Agreement to preserve the purposes of the Plan, on condition that the Participant first gives the Administrator advance written notice describing the terms and conditions of the proposed transfer and the Administrator notifies the Participant in writing that the transfer would comply with the requirements of the Plan. If the Award Agreement does not provide for transferability, then the Award will be transferable and exercisable only as provided in the preceding Section 12.4(a).

(c) The terms of an Award transferred in accordance withSection 12.4(b) will apply to the Permitted Transferee, and any reference to a Participant in the Plan or in the Award Agreement will refer to the Permitted Transferee, except that (i) the Permitted Transferee will not be entitled to transfer the Award other than by will or the laws of descent and distribution; (ii) the Permitted Transferee is not entitled to exercise a transferred Option unless there is in effect a registration statement on an appropriate form covering the shares of Common Stock to be acquired by the exercise of the Option if the Administrator determines, consistent with the Award Agreement, that a registration statement is necessary or appropriate; (iii) neither the Administrator nor the Company is required to provide any notice to a Permitted Transferee, whether or not notice is or would otherwise have been required to be given to the Participant; and (iv) the consequences of the termination of the Participant's Continuous Service under the Plan and the Award Agreement will continue to be applied with respect to the Participant, including, without limitation, that an Option will be exercisable by the Permitted Transferee only to the extent, and for such period, specified in the Plan and the Award Agreement.

12.5 **Investment Assurances**. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Award, (a) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Award; and (b) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to those requirements, will be inoperative if (x) the issuance of the shares of Common Stock upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently effective registration statement under the Securities Act; or (y) as to any particular requirement, a determination is made by counsel for the Company that that requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as that counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

12.6 **Withholding Obligations**. To the extent provided by the terms of an Award Agreement and subject to the discretion of the Administrator, the Participant may satisfy any federal, state or local tax withholding obligation relating to the exercise or acquisition of Common Stock under an Award by any one or combination of the following means (in addition to the Company's right to withhold from any compensation paid to the Participant by the Company): (a) cash payment; (b) authorizing the Company to withhold a number of shares of Common Stock from the shares otherwise issuable to the Participant as a result of the exercise or acquisition of Common Stock under the Award, the Fair Market Value of which does not exceed the minimum amount of tax required to be withheld by law and in which case the Award will be surrendered and cancelled with respect to the number of shares of Common Stock retained by the Company; (c) delivering to the Company previously owned and unencumbered shares of Common Stock; or (d) by execution of a recourse promissory note by a Participant. Notwithstanding the foregoing, at any time that the Company is an "issuer" as defined in Section 2 of the Sarbanes-Oxley Act of 2002, no Director or executive officer (or equivalent thereof) of the Company or a Related Company will be permitted to pay any portion of the tax withholding with respect to any Award with a promissory note or in any other form that could be deemed a prohibited personal loan under Section 13(k) of the Exchange Act. Unless otherwise provided in the terms of an Award Agreement, payment of the tax withholding by a Participant who is an Officer or Director or is otherwise subject to Section 16 of the Exchange Act by delivering previously owned and unencumbered shares of Common Stock or in the form of share withholding is subject to pre-approval by the Administrator, in its sole discretion. The Administrator shall document anypre-approval in the case of a Participant who is an Officer or Director in a manner that complies with the specificity requirements of Rule 16b-3 under the Exchange Act, including the name of the Participant involved in the transaction, the nature of the transaction, the number of shares to be acquired or disposed of by the Participant and the material terms of the Award involved in the transaction.

12.7 **Right of Repurchase**. Each Award Agreement may provide that, following a termination of the Participant's Continuous Service, the Company may repurchase the Participant's Common Stock acquired under the Plan as provided in this Section 12.7 (the "***Right of Repurchase***").

(a) The Right of Repurchase for unvested Common Stock will be exercisable at a price equal to the lesser of the purchase price at which the Common Stock was acquired under the Plan or the Fair Market Value of the Common Stock (if an Award is granted solely in consideration of past or future services without payment of any additional consideration, the unvested Common Stock will be forfeited without any repurchase). The Award Agreement may specify the period following a termination of the Participant's Continuous Service during which the Right of Repurchase may be exercised.

(b) Unless otherwise specifically provided in an Award Agreement or other agreement, until the issuance of the shares of Common Stock upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently effective registration statement under the Securities Act and following a termination of the Participant's Continuous Service, the Company shall have the right to purchase any or all of a Participant's shares acquired upon vesting of Awards or exercise of Options or SARs. The Right of Repurchase for vested Common Stock will be exercisable at a price equal to Fair Market Value.

(c) In the event that the Company so elects for any reason, the Company shall have the option to purchase the Common Stock for a promissory note having the terms specified below or for any combination of cash and a promissory note; provided that the Participant shall receive cash to the extent that the Participant paid cash for the purchase price of the Common Stock. Any such promissory note shall (i) be subordinate to and consistent with provisions of any obligations of the Company for debt for borrowed money; (ii) have a maturity of no more than five years from the date of issuance; (iii) be payable in no more than five substantially equal annual installments of principal and interest, with the first installment of principal and interest to be paid no later than 12 months from the date of issuance; and (iv) bear interest at a rate equal to the applicable federal rate as provided for in Section 1274(d) of the Code having a maturity comparable to that of such promissory note.

(d) The provisions of this Section 12.7 shall terminate on the date the shares of Common Stock issued upon the exercise or acquisition of Common Stock under the Award have been registered under a then currently effective registration statement under the Securities Act; *provided*, *that*, if a Participant's Continuous Service is terminated by the Company for Cause, all Awards (whether or not vested) shall automatically terminate and be forfeited and in the case of Options or SARs shall cease to be exercisable.

12.8 **Right of First Refusal**. Each Award Agreement may, but need not, include a provision whereby the Company may elect, before the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on any securities exchange, to exercise a right of first refusal (the "***Right of First Refusal***") following receipt of notice from the Participant of the intent to transfer all or any part of the shares of Common Stock received in connection with an Award under the Plan.

12.9 **Other Compensation Arrangements.** Nothing contained in the Plan will prevent the Board, including any authorized committee of the Board, from adopting other or additional compensation arrangements, subject to stockholder approval if stockholder approval is required; and those arrangements may be either generally applicable or applicable only in specific cases.

12.10 **Recapitalizations.** Each Award Agreement will contain provisions required to reflect the provisions of Section 10.1.

12.11 **Delivery.** Upon exercise of a right granted under an Award under the Plan, the Company shall issue Common Stock or pay any amounts due within a reasonable period thereafter. Subject to any statutory or regulatory obligations the Company may otherwise have, for purposes of the Plan, 30 days will be considered a reasonable period.

12.12 **Stockholders Agreement.** As a condition to the transfer of shares of Common Stock under any Award granted under this Plan, unless otherwise specifically provided, the Participant will be required to execute and become a party to the Stockholders Agreement dated June 8, 2007, among the Company and the Company's stockholders, as amended, supplemented or modified from time to time (the ***"Stockholders Agreement")***. In addition to the terms of this Plan and the Award Agreement pursuant to which the Common Stock is transferred, the Stockholders Agreement shall govern Participant's rights in and to the Common Stock, and if there is any conflict between the provisions of the Stockholders Agreement and the Plan or the Award Agreement pursuant to which the Common Stock is transferred, the provisions of the Stockholders Agreement shall control.

12.13 **Government and Other Regulations.**

(a) The Company's obligation to settle Awards in shares of Common Stock or other consideration is subject to all applicable laws, rules and regulations, and to such approvals by governmental agencies as may be required. Notwithstanding any terms or conditions of any Award to the contrary, the Company will be under no obligation to offer to sell or to sell, and is prohibited from offering to sell or selling, any shares of Common Stock under an Award unless the shares have been properly registered for sale under the Securities Act or unless the Company has received an opinion of counsel, satisfactory to the Company, that such shares of Common Stock may be offered or sold without registration pursuant to an available exemption therefrom and the terms and conditions of that exemption and of all applicable state securities laws have been fully complied with. The Company will be under no obligation to register for sale under the Securities Act any of the shares of Common Stock to be offered or sold under the Plan. The Administrator is authorized to provide that all certificates for Common Stock or other securities of the Company or any Related Company delivered under the Plan will be subject to such stop transfer orders and other restrictions as the Administrator may consider advisable under the Plan, the applicable Award Agreement, the federal securities laws, or the rules, regulations and other requirements of the Securities and Exchange Commission, any securities exchange or inter-dealer quotation system on which the Common Stock or other security is then listed or quoted and any other applicable federal, state or local laws. Notwithstanding any provision in the Plan to the contrary, the Administrator reserves the right to add any additional terms or provisions to any Award granted under the Plan that it in its sole discretion considers necessary or advisable in order that the Award complies with the legal requirements of any governmental entity to whose jurisdiction the Award is subject.

(b) The Administrator may cancel an Award or any portion thereof if it determines, in its sole discretion, that legal or contractual restrictions, blockage or other market considerations would make the Company's acquisition of Common Stock, the Company's issuance of Common Stock to the Participant, the Participant's acquisition of Common Stock from the Company or the Participant's sale of shares of Common Stock to the public markets, illegal, impracticable or inadvisable. If the Administrator determines to cancel all or any portion of an Award in accordance with the foregoing, the Company will pay to the Participant an amount equal to the excess of (i) the aggregate Fair Market Value of the shares of Common Stock subject to the Award or portion thereof canceled (determined as of the applicable exercise date, or the date that the shares would have been vested or delivered, as applicable), over (ii) the aggregate Exercise Price or Strike Price (in the case of an Option or SAR, respectively) or any amount payable as a condition of delivery of shares of Common Stock (in the case of any other Award). The amount payable will be delivered to the Participant as soon as practicable following the cancellation of the Award or portion thereof.

12.14 **Clawback**. Notwithstanding any provision in this Plan or any Award Agreement to the contrary, Awards granted hereunder will be subject, to the extent applicable, to any clawback policy adopted by the Company. By accepting an Award under this Plan, the Participant consents to any such clawback policy, whether in effect on the Date of Grant or adopted thereafter by the Company.

12.15 **Reliance on Reports**. Each member of the Administrator and each member of the Board will be fully justified in acting or failing to act, as the case may be, and will not be liable for having so acted or failed to act in good faith, in reliance on any report made by the independent public accountant of the Company and its Related Companies or any other information furnished in connection with the Plan by any agent of the Company or the Administrator or the Board, other than himself or herself.

12.16 **Other Provisions**. The Award Agreements authorized under the Plan may contain such other provisions not inconsistent with the Plan, including, without limitation, restrictions upon the exercise of the Awards, as the Administrator may consider advisable.

12.17 **Cancellation and Rescission of Awards for Detrimental Activity**.

(a) Upon exercise, payment or delivery pursuant to an Award, the Administrator may require a Participant to certify in a manner acceptable to the Company that the Participant has not engaged in any Detrimental Activity.

(b) Unless the Award Agreement specifies otherwise, the Administrator may cancel, rescind, suspend, withhold or otherwise limit or restrict any unexpired, unpaid or deferred Awards at any time if the Participant engages in any Detrimental Activity.

(c) If a Participant engages in Detrimental Activity after any exercise, payment or delivery pursuant to an Award, during any period for which any restrictive covenant prohibiting such activity is applicable to the Participant, that exercise, payment or delivery may be rescinded within one year thereafter. In the event of any such rescission, the Participant will be required to pay to the Company the amount of any gain realized or payment received as a result of the exercise, payment or delivery, in such manner and on such terms and conditions as may be required by the Company. The Company will be entitled to set-off against the amount of that gain any amount owed to the Participant by the Company.

12.18 **Financial Statements**. Beginning on the earlier of (a) the date that the aggregate number of Participants under this Plan is 500 or more and the Company is relying on the exemption provided by Rule 12h-1(f)(1) under the Exchange Act or (b) the date that the Company is required to deliver information to Participants pursuant to Rule 701 under the Securities Act, and until such time as the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, is no longer relying on the exemption provided by Rule 12h-1(f)(1) under the Exchange Act or is no longer required to deliver information to Participants pursuant to Rule 701 under the Securities Act, the Company will provide to each Participant the information described in paragraphs (e)(3), (4), and (5) of Rule 701 under the Securities Act not less frequently than every six months with the financial statements being not more than 180 days old and with the information provided either by physical or electronic delivery to the Participants or by written notice to the Participants of the availability of the information on an Internet site that may be password-protected and of any password needed to access the information. The Company may request that Participants agree to keep the information to be provided under this section confidential. If a Participant does not agree to keep the information to be provided under this section confidential, then the Company will not be required to provide the information unless otherwise required pursuant to Rule 12h-1(f)(1) under the Exchange Act or Rule 701 under the Securities Act.

12.19 **Market Standoff**. Each Award Agreement will provide that, in connection with any underwritten public offering by the Company of its equity securities, the Participant agrees not to sell, make any short sale of, loan, hypothecate, pledge, grant any option for the repurchase of, transfer the economic consequences of ownership or otherwise dispose or transfer for value or otherwise agree to engage in any of the foregoing transactions with respect to any Common Stock without the prior written consent of the Company or its underwriters, for the period from and after the effective date of such registration statement as may be requested by the Company or the underwriters (the "***Market Standoff***"). In order to enforce the Market Standoff, the Company may impose stop-transfer instructions with respect to the shares of Common Stock acquired under the Plan until the end of the applicable standoff period. If there is any change in the number of outstanding shares of Common Stock by reason of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification, dissolution or liquidation of the Company, any corporate separation or division (including, but not limited to, a split-up, a split-off or a spin-off), a merger or consolidation; a reverse merger or similar transaction, then any new, substituted or additional securities that are by reason of the transaction distributed with respect to any shares of Common Stock subject to the Market Standoff or into which the shares of Common Stock thereby become convertible, will immediately be subject to the Market Standoff.

ARTICLE 13
EFFECTIVE DATE AND TERM OF PLAN

13.1 **Effective Date**. The Plan is effective as of the Effective Date, but no Option or SAR may be exercised, and no other Award may be granted, unless and until the Plan has been approved by the stockholders of the Company, which approval must be within 12 months before or after the date the Plan is adopted by the Board or an authorized committee of the Board.

13.2 **Plan Termination or Suspension**. Unless otherwise terminated as provided herein, the Plan will continue in effect until, and automatically terminate on, the day before the 10th anniversary of the Effective Date or, if the stockholders approve an amendment to the Plan that increases the number of shares of Common Stock subject to the Plan, the day before the 10th anniversary of the date of such stockholder approval. No Award may be granted under the Plan after that date, but Awards theretofore granted may extend beyond that date and will continue to be governed by the terms and conditions of the Plan. The Board or its authorized committee may suspend or terminate the Plan at any earlier date under Section 11.1. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

ARTICLE 14
CHOICE OF LAW

The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of the Plan, without regard to that state's conflict of law rules.

ARTICLE 15
LIMITATION ON LIABILITY

The Company and any Related Company that is in existence or that hereafter comes into existence will have no liability to any Participant or to any other Person as to (1) the non-issuance or sale of shares of Common Stock as to which the Company has been unable to obtain from any regulatory body having jurisdiction the authority considered by counsel to the Company necessary for the lawful issuance and sale of any shares hereunder; (2) any tax consequences expected, but not realized, by a Participant or any other Person due to the receipt, exercise or settlement of any Award granted hereunder; or (3) the failure of any Award that is determined to constitute "nonqualified deferred compensation" to comply with Section 409A of the Code and the regulations thereunder.

ARTICLE 16
EXECUTION

To record the adoption of the Plan by the Compensation Committee of the Board, the Company has caused its authorized officer to execute the Plan as of the date specified below.

IN WITNESS WHEREOF, upon authorization of the Compensation Committee of the Board of Directors, the undersigned has executed the SunTx CPI Growth Company, Inc. 2016 Equity Incentive Plan, effective as of the Effective Date.

SUNTX CPI GROWTH COMPANY, INC.

By: /s/ Charles E. Owens
Name: Charles E. Owens
Its: President

CONSTRUCTION PARTNERS, INC.

2016 EQUITY INCENTIVE PLAN
RESTRICTED STOCK AWARD CERTIFICATE

THIS IS TO CERTIFY that Construction Partners, Inc., a Delaware corporation formerly known as SunTx CPI Growth Company, Inc. (the "***Company***"), has granted you (the "***Participant***") the right to receive Common Stock of the Company under its 2016 Equity Incentive Plan (the "***Plan***"), as follows:

Name of Participant: _____

Address of Participant: _____

_____

Number of Shares: 1,400

Purchase Price: $1.00 per Share

Date of Grant: February 15, 2018

Acceptance Expiration Date: 15 days after the Participant's receipt of this Certificate and the attached Restricted Stock Award Agreement

Vesting Schedule:

Date	Number of Shares Vested
Date of Grant	700
July 1, 2018	1,400

By your signature and the signature of the Company's representative below, you and the Company agree to be bound by all of the terms and conditions of the attached Restricted Stock Award Agreement, the Plan and the Stockholders Agreement (each incorporated herein by this reference as if set forth in full in this document). By executing this Certificate, you hereby irrevocably elect to accept the Restricted Stock rights granted under this Certificate and the related Restricted Stock Award Agreement and to receive the shares of Restricted Stock designated above subject to the terms of the Plan, the Stockholders Agreement, this Certificate and the Award Agreement.

Participant:

_____

Name: , an individual

Dated: _____

Construction Partners, Inc.

By: _____

Title: _____

Dated: _____

CONSTRUCTION PARTNERS, INC.

SUNTX CPI GROWTH COMPANY, INC.
2016 EQUITY INCENTIVE PLAN
RESTRICTED STOCK AWARD AGREEMENT

This Restricted Stock Award Agreement (the "***Agreement***"), is entered into on the Date of Grant, subject to the Participant's acceptance of the terms of the Agreement evidenced by the Participant's signature on the Restricted Stock Award Certificate to which this Agreement is attached (the "***Certificate***"), by and between Construction Partners, a Delaware corporation formerly known as SunTx CPI Growth Company, Inc. (the "***Company***"), and the Participant named in the Certificate.

Under the SunTx CPI Growth Company, Inc. 2016 Equity Incentive Plan (the "***Plan***"), the Administrator has authorized the grant to the Participant of the right to receive shares of Common Stock (the "***Award***"), under the terms and subject to the conditions set forth in this Agreement and the Plan. Capitalized terms not otherwise defined in the Agreement have the meanings ascribed to them in the Plan.

NOW, **THEREFORE**, in consideration of the premises and the benefits to be derived from the mutual observance of the covenants and promises contained in this Agreement and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Basis for Award**. This Award is granted under the Plan for valid consideration provided to the Company by the Participant. By the Participant's execution of the Certificate, the Participant agrees to accept the Restricted Stock Award rights granted under the Certificate and this Agreement and to receive the shares of Restricted Stock of the Company designated in the Certificate subject to the terms of the Plan, the Certificate and this Agreement.

2. **Restricted Stock Award**. The Company hereby awards and grants to the Participant, for valid consideration with a value in excess of the aggregate par value of the Common Stock awarded to the Participant, the number of shares of Common Stock set forth in the Certificate (the "***Shares***"), which are subject to the restrictions and conditions set forth in the Plan, the Certificate and in this Agreement (the "***Restricted Shares***"). One or more stock certificates representing the number of Shares specified in the Certificate will hereby be registered in the Participant's name (the "***Stock Certificate***"), but will be deposited and held in the custody of the Company for the Participant's account as provided in Section 4 hereof until such Restricted Shares become vested and all restrictions thereon have lapsed. The Participant acknowledges and agrees that those shares may be issued as a book entry with the Company's transfer agent and that no physical certificates need be issued for as long as such Shares remain subject to the Company's Right of Repurchase and restrictions on transfer.

3. **Vesting**. The Restricted Shares will vest and restrictions on transfer will lapse under the Vesting Schedule set forth in the Certificate, on condition that the Participant is still then in Continuous Service. If the Participant ceases Continuous Service for any reason the Restricted Shares standing in the name of the Participant on the books of the Company that have not vested and as to which restrictions have not lapsed ("***Unvested Shares***") shall be subject to the Company's Right of Repurchase and such Unvested Shares that are repurchased by the Company will be cancelled as outstanding Shares.

(a) **Repurchase of Unvested Shares**. If Unvested Shares do not become vested on or before the expiration of the period during which the applicable vesting conditions must occur, such Unvested Shares will be automatically repurchased and cancelled as outstanding Shares immediately on the occurrence of the event after which such Unvested Shares may no longer become vested. The consideration for repurchase of Unvested Shares pursuant to Section 12.7 of the Plan may include the cancellation of any outstanding promissory note issued by the Participant to the Company in connection with the purchase of Common Stock subject to the Award.

(b) **Restriction on Transfer**. The Participant is not permitted to transfer, assign, grant a lien or security interest in, pledge, hypothecate, encumber or otherwise dispose of any of the Unvested Shares, except as permitted by this Agreement.

4. **Deposit of the Unvested Shares**. The Participant shall deposit all of the Unvested Shares with the Company to hold in its custody until they become vested, at which time such vested Restricted Shares will no longer constitute Unvested Shares. If requested by the Company, the Participant will execute and deliver to the Company, concurrently with the execution of this Agreement (or, if requested by the Company, from time to time thereafter during the Restricted Period) blank stock powers for use in connection with the transfer to the Company or its designee of Unvested Shares that do not become vested. The Company will deliver to the Participant the Stock Certificate for the shares that become vested on the lapse of the Right of Repurchase and non-transferability restrictions thereon.

5. **Rights as a Stockholder, Dividends**. Subject to the terms of this Agreement, the Participant will have all the rights of a stockholder with respect to the Restricted Shares, including the right to vote the Restricted Shares and to receive any dividends thereon; provided that any dividends paid with respect to Unvested Shares will held by the Company and will not be paid to the Participant until the Unvested Shares with respect to which the dividends were paid become vested and are no longer subject to forfeiture and restrictions on transfer. If the Unvested Shares to which dividends held by the Company relate are subsequently repurchased, such dividends will automatically be forfeited by the Participant and returned to the Company.

6. **Compliance with Laws and Regulations**. The issuance and transfer of Common Stock is subject to the Company's and the Participant's full compliance, to the satisfaction of the Company and its counsel, with all applicable requirements of federal and state securities laws and with all applicable requirements of any securities exchange on which the Common Stock may be listed at the time of such issuance or transfer. The Participant understands that the Company is under no obligation to register or qualify the Shares with the Securities and Exchange Commission, any state securities commission or any securities exchange to effect such compliance.

7. **Stockholders Agreement; Obligation to Sell**. Notwithstanding anything in this Agreement to the contrary, the receipt of the Restricted Shares under this Award is contingent on the Participant becoming a party to the Stockholders Agreement. The restrictions on transferability of the Common Stock set forth in the Stockholders Agreement shall likewise apply to the Shares. Until the occurrence of either an initial public offering or a "Change of Control" (as defined in the Stockholders Agreement) and following a termination of the Participant's Continuous Service, the Company shall have the right to purchase any or all of the Participant's Shares acquired under this Award, in either case, at a price per share of Common Stock equal to the per share Purchase Price. The Administrator, in its sole discretion, may determine whether Continuous Service shall be considered terminated. All Shares issued under this Award shall be subject to the terms and conditions of the Stockholders Agreement and the repurchase rights set forth above.

8. **Tax Withholding**

(a) As a condition to the release of Shares from the Company's Right of Repurchase and lapse of restrictions on transfer, no later than the first to occur of (i) the date as of which all or any of the Restricted Shares vest and the restrictions on their transfer lapse or (ii) the date required by Section 8(b), the Participant must pay to the Company any federal, state or local taxes required by law to be withheld with respect to the Restricted Shares. In addition to the Company's right to withhold from any compensation paid to the Participant by the Company, the Participant may provide for payment of withholding taxes in full by cash or check or, if the Administrator permits, by one or more of the alternative methods of payment set forth in the Plan.

(b) The Participant may elect, within 30 days of the Date of Grant, to include in gross income for federal income tax purposes under Section 83(b) of the Code, an amount equal to the aggregate Fair Market Value on the Date of Grant of the Restricted Shares, less the amount paid by the Participant for the Restricted Shares). In connection with any such election, the Participant must promptly provide the Company with a copy of the election as filed with the Internal Revenue Service and pay to the Company, or make such other arrangements satisfactory to the Administrator to pay to the Company based on the Fair Market Value of the Restricted Shares on the Date of Grant, any federal, state or local taxes required by law to be withheld with respect to the Restricted Shares at the time of the election. If the Participant fails to make such payments, the Company will have the right to deduct from any payment of any kind otherwise due to Participant, to the extent permitted by law, any federal, state or local taxes required to be withheld with respect to the Restricted Shares.

9. **No Right to Continued Service**. Nothing in this Agreement or the Plan imposes or may be deemed to impose, by implication or otherwise, any limitation on any right of the Company or its Related Companies to terminate the Participant's Continuous Service at any time.

10. **Representations and Warranties of the Participant**. The Participant represents and warrants to the Company as follows:

(a) **Acknowledgment and Agreement to Terms of the Plan and the Stockholders Agreement** The Participant acknowledges receipt of a copy of the Plan, the Stockholders Agreement, the Certificate and this Agreement. The Participant has read and understands the terms of the Plan, the Stockholders Agreement, the Certificate and this Agreement, and agrees to

be bound by their terms and conditions. The Participant acknowledges and agrees that the Stockholders Agreement may contain restrictions on his or her right to transfer the Shares and may require the Participant to sell the Shares under certain circumstances. The Participant acknowledges that there may be adverse tax consequences on the vesting of Restricted Shares or disposition of the Shares once vested, and that the Participant should consult a tax advisor before such time.

(b) **Stock Ownership**. The Participant is the record and beneficial owner of the Restricted Shares with full right and power to transfer the Unvested Shares to the Company free and clear of any liens, claims or encumbrances and the Participant understands that the Stock Certificates evidencing the Restricted Shares will bear a legend referencing this Agreement.

11. **Compliance with Securities Laws**. The Participant understands and acknowledges that, notwithstanding any other provision of the Agreement to the contrary, the vesting and holding of the Restricted Shares is expressly conditioned on compliance with the Securities Act and all applicable federal and state securities laws. The Participant agrees to cooperate with the Company to ensure compliance with such laws.

12. **Capitalization Adjustments**. If, as a result of any capitalization adjustment under the Plan, the Participant becomes entitled to receive additional Shares or other securities ("***Additional Securities***") in respect of the Unvested Shares, such Additional Securities will be Unvested Shares, and the total number of Unvested Shares will be equal to the sum of (i) the initial Unvested Shares and (ii) the number of Additional Securities issued or issuable in respect of the initial Unvested Shares and any Additional Securities previously issued to the Participant.

13. **Restrictive Legends and Stop-Transfer Orders**

(a) **Legends**. To the extent that a Stock Certificate or Certificates representing Restricted Shares is issued in physical form rather than through book entry with the Company's transfer agent, the Participant understands and agrees that the Company will place the legends set forth below or similar legends on any Stock Certificate evidencing the Shares, together with any other legends that may be required by federal or state securities laws, the Company's articles of incorporation or bylaws, any other agreement between the Participant and the Company or any agreement between the Participant and any third party:

> **THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON PUBLIC RESALE AND TRANSFER, AS SET FORTH IN A RESTRICTED STOCK AWARD AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES. SUCH PUBLIC RESALE AND TRANSFER RESTRICTIONS ARE BINDING ON TRANSFEREES OF THESE SHARES.**

The Company will remove the above legend at such time as the Shares in question are no longer subject to restrictions on public resale and transfer under this Agreement. Any legends required by applicable federal or state securities laws will be removed at such time as such legends are no longer required.

(b) **Stop-Transfer Instructions**. To ensure compliance with the restrictions imposed by this Agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent, if any, and if the Company transfers its own Common Stock, it may make appropriate notations to the same effect in its own records.

(c) **Refusal to Transfer**. The Company will not be required (i) to transfer on its books any Restricted Shares that have been sold or otherwise transferred in violation of any provision of this Agreement; or (ii) to treat as owner of the Restricted Shares, or to accord the right to vote or pay dividends to, any purchaser or other transferee to whom the Restricted Shares have been transferred.

14. **General Terms**

(a) **Interpretation**. Any dispute regarding the interpretation of this Agreement must be submitted by the Participant or the Company to the Administrator for review. The Administrator's resolution of such dispute will be final and binding on the Company and the Participant.

(b) **Entire Agreement**. The Plan, the Stockholders Agreement and the Certificate are incorporated in this Agreement by reference, and the Participant hereby acknowledges that a copy of each has been made available to the Participant. This Agreement, the Certificate, the Plan and the Stockholders Agreement constitute the entire agreement of the parties and supersede all prior undertakings and agreements with respect to the subject matter hereof. In the event of a conflict or inconsistency between the terms and conditions of this Agreement, the Certificate and the Plan, the Plan will govern; provided that in the event of a conflict or inconsistency between the terms and conditions of any of the preceding documents and the Stockholders Agreement, the Stockholders Agreement will govern.

(c) **Modification**. The Agreement may be modified only in writing signed by both parties.

(d) **Notices**. Any notice required under this Agreement to be delivered to the Company must be in writing and addressed to the Corporate Secretary of the Company at its principal corporate offices. Any notice required to be given or delivered to the Participant must be in writing and addressed to the Participant at the address indicated on the Certificate or to such other address as the Participant designates in writing to the Company. All notices will be deemed to have been delivered: (i) on personal delivery, (ii) five days after deposit in the United States mail by certified or registered mail (return receipt requested), (iii) two business days after deposit with any return receipt express courier (prepaid) or (iv) one business day after transmission by fax or email.

(e) **Successors and Assigns**. The Company may assign any of its rights under this Agreement. This Agreement will be binding on and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein and in the Plan and Stockholders Agreement, this Agreement is binding on the Participant and the Participant's heirs, executors, administrators, legal representatives, successors and assigns.

(f) **Governing Law**. This Agreement will be governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law principles. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, then such provision will be enforced to the maximum extent possible and the other provisions will remain fully effective and enforceable.

SECTION 83(B) ELECTION
INSTRUCTIONS

CONSTRUCTION PARTNERS, INC.

To make an election under Section 83(b) of the U.S. Internal Revenue Code of 1986, as amended (the "***Code***"), in connection with your receipt, for tax purposes, of shares common stock of Construction Partners, Inc. (the "***Company***"), you should complete and sign **three** copies of the enclosed Section 83(b) Election form and mail as indicated **no later than February 18, 2018.**

1. You should mail one copy of the completed and signed Section 83(b) Election to the Internal Revenue Service (see attached chart for appropriate Internal Revenue Service Center), by certified mail (return receipt requested), using the attached letter to the Internal Revenue Service, which you must date and sign (also fill in your social security number).

2. You should deliver one copy of the completed and signed Section 83(b) Election to the Company, using the attached letter to the Company, which you must date and sign.

3. You should retain one copy of the completed and signed Section 83(b) Election for your records. This copy must be kept until the period of limitations expires for the return on which you report the sale or other disposition of all of the shares of common stock (generally three years after the date of filing or, if later, the due date for the return).

IRS SERVICE CENTERS
FOR
83(B) ELECTION FORMS

Questions: 1-800-829-1040

If you live in:	The Appropriate Service Center Mailing Address is: [1]
Florida, Louisiana, Mississippi, Texas	Department of the Treasury Internal Revenue Service Center Austin, TX 73301-0002
Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming	Department of the Treasury Internal Revenue Service Center Fresno, CA 93888-0002
Alabama, Connecticut, Delaware, District of Columbia, Georgia, Kentucky, Maine, Maryland, Massachusetts, Missouri, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia	Department of the Treasury Internal Revenue Service Center Kansas City, MO 64999-0002

1 Appropriate service center mailing address subject to change for applicable tax year. Consult your tax advisor or the instructions to the IRS Form 1040 for the applicable tax year.

ELECTION TO INCLUDE PROPERTY IN GROSS INCOME
UNDER SECTION 83(b) OF THE INTERNAL REVENUE CODE

The undersigned taxpayer hereby elects pursuant to section 83(b) of the Internal Revenue Code of 1986, as amended, to include in gross income as compensation for services the excess (if any) of the fair market value of the property described below over the amount paid for that property.

The following information is provided in accordance with Treasury Regulation§ 1.83-2(e):

1. The name, taxpayer identification number and address of the undersigned, and the taxable year for which this election is being made:
   Taxpayer's Name: _____
   Taxpayer's SSN: _____
   Address: _____
   _____

2. Taxable Year: Calendar Year 2018

3. The property which is the subject of this election is [**insert number of unvested shares**] shares of common stock (the "***Shares***") of Construction Partners, Inc., a Delaware corporation (the "***Company***").

4. The property was transferred to the undersigned on January 19, 2018.

5. The property is subject to the following restrictions:

The Shares may be repurchased by the Company on certain terminations of service, subject to atwo-year annual vesting schedule. The Shares may not be sold, exchanged, transferred, pledged, assigned or otherwise disposed of until they become vested.

6. The aggregate fair market value of the property at the time of transfer (determined without regard to any restrictions other thannon-lapse restrictions as defined in Treasury Regulation § 1.83-3(h)) is: $[**insert Grant Date FMV**] per Share x [**number of shares elected above**] Shares = $_____.

7. The undersigned paid $1.00 per Share x [**number of shares elected above**] Shares = $_____ for the property transferred.

8. The amount to include in gross income is $[**the total amount in item 6 minus the total amount in item 7**].

9. The undersigned has furnished copy of this election to the Company in accordance with Treasury Regulation§1.83-2(d). The undersigned is the person performing the services in connection with which the property was transferred.

Dated: _____

_____
Name:

_____, 2018

Department of the Treasury
Internal Revenue Service Center
[Insert Applicable Service Center Address]

Re: Section 83(b) Election

SSN: _____

Dear Sir or Madam:

Pursuant to Treasury Regulations section 1.83-2(c) promulgated under Section 83 of the Internal Revenue Code of 1986, as amended, enclosed please find a Section 83(b) election.

Sincerely,

_____
Name:

Enclosure

_____, 2018

Construction Partners, Inc.
Stanford Corporate Center
14001 N. Dallas Parkway, Suite 111
Dallas, TX 75240
Attention: [Insert Name]

Re: Section 83(b) Election

Dear _____:

Pursuant to Treasury Regulations section 1.83-2(d) promulgated under Section 83 of the Internal Revenue Code of 1986, as amended, enclosed please find a Section 83(b) election.

Sincerely,

_____
Name:

Enclosure

SUNTX CPI GROWTH COMPANY, INC.
2016 EQUITY INCENTIVE PLAN
STOCK OPTION AWARD CERTIFICATE

THIS IS TO CERTIFY that SunTx CPI Growth Company, Inc., a Delaware corporation (the "***Company***"), has granted you (the "***Participant***") an option to purchase shares of common stock of the Company under its 2016 Equity Incentive Plan (the "***Plan***"), as follows:

Participant: _____

Participant's Address: _____

Total Option Shares: _____

Exercise Price per Share: $85.00

Type of Option (check one): ☒ Incentive Stock Option ☐ Nonqualified Stock Option

Date of Grant: _____

Expiration Date: _____

Vesting Schedule:

Date	Percentage of Option Shares Vested
Date of Grant	25%
March 15, 2017	50%
March 15, 2018	75%
March 15, 2019	100%

By your signature and the signature of the Company's representative below, you and the Company agree to be bound by all of the terms and conditions of the attached Stock Option Award Agreement and the Plan (both incorporated herein by this reference as if set forth in full in this document). By executing this Certificate, you hereby irrevocably elect to accept the Stock Option rights granted under this Certificate and the related Stock Option Award Agreement and to receive the Option to purchase shares of common stock of the Company designated above subject to the terms of the Plan, this Certificate and the Stock Option Award Agreement.

Participant:

_____

Name: , an individual

Dated: _____

SunTx CPI Growth Company, Inc.

By: _____

Title: _____

Dated: _____

SUNTX CPI GROWTH COMPANY, INC.
2016 EQUITY INCENTIVE PLAN
STOCK OPTION AWARD AGREEMENT

This Stock Option Award Agreement (this "***Agreement***"), is made and entered into on the execution date of the Stock Option Award Certificate to which it is attached (the "***Certificate***"), by and between SunTx CPI Growth Company, Inc., a Delaware corporation (the "***Company***"), and the Participant named in the Certificate.

Under the Company's 2016 Equity Incentive Plan (the "***Plan***"), the Plan Administrator has authorized the grant to the Participant of the Option to purchase shares of Common Stock (the "***Award***"), under the terms and subject to the conditions set forth in the Certificate, this Agreement and in the Plan. Capitalized terms not otherwise defined in this Agreement have the meanings ascribed to them in the Plan.

NOW, **THEREFORE**, in consideration of the premises and the benefits to be derived from the mutual observance of the covenants and promises contained in this Agreement and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Grant of Option**. The Company hereby grants to the Participant an Option to purchase the number of shares of Common Stock (the "***Option Shares***") set forth in the Certificate as Total Option Shares at the Exercise Price per share set forth in the Certificate, subject to all of the terms and conditions of the Certificate, this Agreement and the Plan. If designated as an Incentive Stock Option in the Certificate, the Option is intended to qualify as an "incentive stock option" (an "***ISO***") as defined in Section 422(b) of the Code, although the Company makes no representation or guarantee that the Option will qualify as an ISO.

2. **Right to Exercise**

(a) *Vesting*. The Award will vest and become exercisable according to the Vesting Schedule set forth in the Certificate. If application of the Vesting Schedule causes a fractional share of Common Stock to otherwise become exercisable, the share will be rounded down to the nearest whole share for each vesting period except for the last period in the Vesting Schedule, at which time the Award will become exercisable for the full remainder of the Option Shares.

(b) *Exercise Period.* Unless the Award expires as provided in Section 3, the Award may be exercised after the Date of Grant set forth in the Certificate to the extent the Award has vested. The Award cannot be exercised for fractional Option Shares. The Option Shares issued on exercise of the Award will be subject to the restrictions on transfer set forth in Section 10.

(c) *Stockholder Approval.* Notwithstanding anything in this Agreement to the contrary, no portion of this Award will be exercisable at any time before the Plan is approved by the Company's stockholders.

3. **Expiration**. The Award will expire at 12:01 am Central Time on the Expiration Date set forth in the Certificate or earlier as provided in Section 4 below.

4. **Termination of Continuous Service**. The right to exercise the Award is subject to the following terms and conditions.

(a) *Forfeiture of Unvested Options*. If the Participant's Continuous Service terminates for any reason (including Participant's death or Disability) other than by the Company or a Related Company for Cause, the unvested portion of the Award will terminate at the close of business on the date of termination.

(b) *Termination for Cause*. If the Company or a Related Company terminates the Participant's Continuous Service for Cause, then all of the Participant's rights under this Agreement will expire and the entire Award will terminate, regardless of whether or to what extent vested, as of the beginning of business on the date of the Participant's termination of Continuous Service.

(c) *Termination for Any Reason other than Cause, Death or Disability.* If the Participant's Continuous Service terminates for any reason other than by the Company or a Related Company for Cause or the Participant's death or Disability, the Participant may exercise the Award to the extent (and only to the extent) the Award is vested and exercisable at the time of such termination, but only during the period ending on the earlier of (i) the date that is three months following the date of such termination or (ii) the Expiration Date. The Award will immediately terminate at the end of such period and any unexercised Option will cease to be exercisable.

(d) *Termination Due to Death or Disability*. If the Participant's Continuous Service is terminated by reason of the Participant's death or Disability, or if the Participant dies within three months after the date of termination of the Participant's Continuous Service for any reason other than by the Company or a Related Company for Cause, the Participant (or his or her legal representative, executor, administrator, heir, or legatee, as the case may be) may exercise the Award to the extent the Award is vested and exercisable at the time of such termination, but only during the period ending on the earlier of (i) the date that is 12 months following the date of such termination or (ii) the Expiration Date. The Award will immediately terminate at the end of such period and any unexercised Option will cease to be exercisable.

(e) *Extension of Termination Date*. Notwithstanding anything in this Section 4 to the contrary, if the exercise of the Award following the termination of the Participant's Continuous Service for any reason other than by the Company or a Related Company for Cause or the Participant's death or Disability would violate any applicable federal, state or local law, then the Award will remain exercisable until the earlier of (i) the date that is 30 days after the exercise of the Award would no longer violate any applicable federal, state or local law or (ii) the Expiration Date. The Award will immediately terminate at the end of such period and any unexercised Option will cease to be exercisable.

(f) **Effect of Termination of Employment on ISO Status**. If permitted by this Agreement, any exercise beyond (i) three months after the date of termination of the Participant's employment with the Company and its "subsidiary corporations," as defined in Code Section 424(f), for any reason other than the Participant's death or Disability, or (ii) 12 months after the date of termination of the Participant's employment with the Company and its "subsidiary corporations" by reason of the Participant's death or Disability, will be treated as an exercise of a Nonqualified Stock Option and not an ISO.

5. **Manner of Exercise**

(a) *Exercise Notice*. To exercise this Award, the Participant (or in the case of exercise after the Participant's death or incapacity, the Participant's legal representative, executor, administrator, heir or legatee, as the case may be) must deliver to the Administrator a fully executed stock option exercise notice and agreement in the form attached hereto, or in any other form as approved by the Administrator (the "***Exercise Notice***"). The Exercise Notice must set forth, *inter alia*, (i) the Participant's election to exercise the Award; (ii) the number of Option Shares being purchased; (iii) any restrictions imposed on the Option Shares; and (iv) any representations, warranties or agreements regarding the Participant's investment intent and access to information as the Company may require to comply with applicable securities laws. The Award may be exercised by someone other than the Participant only on submission of documentation reasonably acceptable to the Administrator verifying that the Person has the legal right to exercise the Award.

(b) *Payment.* Unless otherwise permitted and under such terms as are approved by the Administrator in its sole discretion, the entire Exercise Price must be paid in full by cash or check for an amount equal to the aggregate Exercise Price for the number of Option Shares being purchased.

(c) *Stockholders Agreement.* As a condition to the exercise of the Award, before the issuance of the Option Shares the Participant must become a party to the Stockholders Agreement by execution of a joinder in such form or forms as the Administrator deems appropriate. All Option Shares acquired on exercise of this Award shall be subject to the terms and conditions of the Stockholders Agreement, and the restrictions on transferability of the Common Stock set forth therein shall likewise apply to the Option Shares.

(d) *Tax Withholding.* As a further condition to the exercise of the Award, before the issuance of the Option Shares the Participant must pay or provide for any applicable federal, state, or local tax withholding obligations of the Company. In addition to the Company's right to withhold from any compensation paid to the Participant by the Company, the Participant may provide for payment of withholding taxes in full by cash or check or, if permitted by the Administrator, by one or more of the alternative methods of payment described in the Plan.

(e) *Issuance of Option Shares.* Subject to the conditions that the Exercise Notice, payment (including applicable tax withholding) and joinder to the Stockholders Agreement are in form and substance satisfactory to the Administrator, the Company will issue the Option Shares registered in the name of the Participant, the Participant's authorized assignee, or Participant's legal representative. The Award will be deemed exercised on the Administrator's receipt of the fully executed Exercise Notice accompanied by required payment and the executed joinder to the Stockholders Agreement. The Company will deliver certificates representing the Option Shares with the appropriate legends affixed thereto. If the Option Shares are not fully vested, the Company may hold the certificates in its custody until vested.

6. **Compliance with Laws and Regulations**. The exercise of the Award and the issuance and transfer of Option Shares is subject to the Company's and Participant's full compliance, to the satisfaction of the Company and its counsel, with all applicable requirements of federal, state, and foreign securities laws and with all applicable requirements of any securities exchange on which the Common Stock may be listed at the time of issuance or transfer. The Participant understands that the Company is under no obligation to register or qualify the Option Shares with the Securities and Exchange Commission, any state or foreign securities regulatory authority or any securities exchange to effect compliance.

7. **Notice of Disqualifying Disposition of ISO Shares**. If the Award is an ISO and the Participant sells or otherwise disposes of any Option Shares acquired under the Award on or before the later of (a) the second anniversary of the Date of Grant or (b) the first anniversary of the transfer of the Option Shares to the Participant on exercise of the Award, the Participant must immediately notify the Company in writing of the disposition. If any such disposition causes Participant to be subject to income tax withholding by the Company on the income recognized by the Participant, the Participant shall satisfy the withholding obligation by payment in cash or out of the current wages or other compensation payable to the Participant by the Company or any Related Company.

8. **Non-Transferability of Option**. If the Award is an ISO, it may not be transferred in any manner other than by will or by the laws of descent and distribution and may be exercised during the lifetime of the Participant only by the Participant or, in the event of the Participant's incapacity, by the Participant's legal representative. If the Award is a Nonqualified Stock Option, on the Administrator's written approval the Award may be transferred by gift or domestic relations order to a Permitted Transferee in accordance with the Plan.

9. **Privileges of Stock Ownership**. The Participant will not have any of the rights of a stockholder with respect to any Option Shares unless and until the Option Shares are issued to the Participant.

10. **Restrictions on Transfer of Option Shares**

(a) *Securities Law Restrictions.* Regardless of whether the offering and sale of Common Stock under the Plan have been registered under the Securities Act or have been registered or qualified under the securities laws of any state or foreign jurisdiction, the Company at its discretion may impose restrictions on the sale, pledge or other transfer of the Option Shares (including the placement of appropriate legends on stock certificates or the imposition of stop-transfer instructions) if, in the judgment of the Company, such restrictions are necessary or desirable to achieve compliance with the Securities Act, the securities laws of any state or foreign jurisdiction, or any other law.

(b) *Consent to Market Standoff.* If an underwritten public offering by the Company of its equity securities occurs, the Participant agrees not to sell, make any short sale of, loan, hypothecate, pledge, grant any option for the repurchase of, transfer the economic consequences of ownership, or otherwise dispose or transfer for value or otherwise agree to engage in any of the foregoing transactions with respect to any Option Shares without the prior written consent of the Company or its underwriters, for such period of time from and after the effective date of the

registration statement as may be requested by the Company or the underwriters. In order to enforce the Market Standoff, the Company may impose stop-transfer instructions with respect to the Option Shares acquired under this Agreement until the end of the applicable standoff period. If there is any change in the number of outstanding shares of Common Stock by reason of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification, dissolution or liquidation of the Company, any corporate separation or division (including, but not limited to, a split-up, a split-off, or a spin-off), a merger or consolidation, a reverse merger, or similar transaction, then any new, substituted, or additional securities which are by reason of the transaction distributed with respect to any Option Shares subject to the Market Standoff, or into which the Option Shares thereby become convertible, will immediately be subject to the Market Standoff.

(c) *Administration*. Any determination by the Administrator and its counsel in connection with any of the matters set forth in this Section 10 will be conclusive and binding on Participant and all other Persons.

11. **Right of Repurchase**. Option Shares acquired by the exercise of this Award will be subject to the Company's Right of Repurchase under the Plan.

12. **No Right to Continued Service**. Nothing in this Agreement or the Plan imposes or may be deemed to impose, by implication or otherwise, any limitation on any right of the Company and its Related Companies to terminate the Participant's Continuous Service at any time.

13. **General**

(a) *Interpretation*. Any dispute regarding the interpretation of this Agreement must be submitted by the Participant or the Company to the Administrator for review. The resolution of any dispute by the Administrator will be final and binding on the Company and Participant.

(b) *Entire Agreement.* The Plan and the Certificate are incorporated into this Agreement by reference, and together with this Agreement constitute the entire agreement of the parties and supersede all prior undertakings and agreements with respect to the subject matter hereof. In the event of a conflict or inconsistency between the terms and conditions of this Agreement, the Certificate and the Plan, the Plan will govern.

(c) *Notices*. Any notice required under this Agreement to be delivered to the Company must be in writing and addressed to the Secretary of the Company at its principal corporate offices. Any notice required to be delivered to the Participant must be in writing and addressed to the Participant at the address indicated on the Certificate or to such other address as Participant designates in writing to the Company. All notices will be deemed to have been delivered: (i) on personal delivery, (ii) five days after deposit in the United States mail by certified or registered mail (return receipt requested), (iii) two business days after deposit with any return receipt express courier (prepaid) or (iv) one business day after transmission by fax.

(d) *Successors and Assigns*. The Company may assign any of its rights under this Agreement. This Agreement will be binding on and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement is binding on Participant and Participant's heirs, executors, administrators, legal representatives, successors and assigns.

(e) *Governing Law*. This Agreement is governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law principles. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, then that provision will be enforced to the maximum extent possible and the other provisions of the Agreement will remain fully effective and enforceable.

14. **Receipt and Acceptance**. The Participant acknowledges receipt of a copy of the Plan, the Certificate and this Agreement. The Participant has read and understands the terms of the Plan, the Certificate and this Agreement, and agrees to be bound by their terms and conditions. The Participant acknowledges that there may be adverse tax consequences on exercise of the Award or disposition of the Option Shares and that the Participant should consult a tax advisor before any exercise of the Award or disposition of the Option Shares.

STOCK OPTION EXERCISE NOTICE

☒ Incentive Stock Option
☐ Nonqualified Stock Option

Option Holder: _____
Date: _____

SunTx CPI Growth Company, Inc.
Stanford Corporate Center
14001 N. Dallas Parkway, Suite 111
Attention: [Chief Financial Officer]

1. **Award**. I was granted an option (the "***Award***") to purchase shares of the common stock (the "***Option Shares***") of SunTx CPI Growth Company, Inc. (the "***Company***"), under the Company's 2016 Equity Incentive Plan (the "***Plan***"), my Certificate of Stock Option Award (the "***Certificate***") and my Stock Option Award Agreement (the "***Award Agreement***") as follows:

Award Number:	_____
Date of Grant of Award:	_____
Number of Option Shares:	_____
Exercise Price per Share:	$85.00

2. **Exercise of Award**. I hereby elect to exercise the Award to purchase the following number of Option Shares, all of which are vested in accordance with the Certificate and the Award Agreement:

Total Option Shares Purchased:	_____
Net Exercise Price: (Option Shares Purchased x Exercise Price per share)	$ _____

3. **Payments**. I enclose payment in full of the Net Exercise Price for the Option Shares in the following form or forms, as authorized by the Award Agreement:

Cash:	$ _____
Check:	$ _____
Other:	Contact Administrator

4. **Tax Withholding**. As a condition of exercise, I authorize payroll withholding and otherwise will make adequate provision for the federal, state, local and foreign tax withholding obligations of the Company, if any, in connection with my exercise of the Award in one or more of the following forms:

Cash:	$ _____
Check:	$ _____
Other:	Contact Administrator

5. **Award Holder Information**

My address is: _____

_____

My Social Security Number is: _____

6. **No Detrimental Activity**. I hereby certify that I am in compliance with the terms and conditions of the Plan and have not engaged in any Detrimental Activity as defined in the Plan.

7. **Notice of Disqualifying Disposition**. If the Award is an Incentive Stock Option, I agree that I will promptly notify the [Secretary] of the Company if I transfer any of the Option Shares within ***one year*** from the date of exercise or within ***two years*** of the Date of Grant of the Award.

8. **Stockholders Agreement**. I understand that as a condition of exercise, I must execute a joinder to, and thereby become a party to, the Stockholders Agreement as defined in the Plan, a copy of which I have received and read carefully and understand, and that the Option Shares I am acquiring will be subject to the terms and conditions of the Stockholders Agreement.

9. **Acknowledgement**. I understand and agree that I am purchasing the Option Shares under the terms of the Plan, the Certificate and the Award Agreement, copies of which I have received and read carefully and understand and to all of which I hereby expressly assent. This agreement will inure to the benefit of and be binding on my heirs, executors, administrators, successors and assigns.

Signed,

_____

(Signature)

Receipt of the above is hereby acknowledged.

SunTx CPI Growth Company, Inc.

By: _____
Title: _____
Date: _____

Exhibit 10.7

CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

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CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

1. Purpose

The purpose of the Construction Partners, Inc. 2018 Equity Incentive Plan is to enable the Company and any Affiliate to obtain and retain the services of the types of Employees, Consultants, and Directors who will contribute to the Company's long range success and to provide incentives that are linked directly to increases in share value which will inure to the benefit of all stockholders of the Company. The Plan is an amendment and restatement of the SunTX CPI Growth Company, Inc. 2016 Equity Incentive Plan.

2. Definitions

"Administrator" means the Board or the Committee appointed by the Board in accordance withSection 3(e).

"Affiliate" means any parent or direct or indirect subsidiary of the Company, whether now or hereafter existing.

"Award" means any Option, Restricted Award, Performance Award, Stock Appreciation Right or other Stock-Based Award granted under the Plan.

"Award Agreement" means a written agreement between the Company and a Participant evidencing the terms and conditions of an individual Award. Each Award Agreement will be subject to the terms and conditions of the Plan and need not be identical.

"Board" means the Board of Directors of the Company.

"Cause" means, (a) with respect to any Participant who is a party to a Service Agreement which provides for a definition of Cause, as defined therein; and (b) with respect to all other Participants, (i) the commission of, or plea of guilty or no contest to, a felony or a crime involving moral turpitude or the commission of any other act involving willful malfeasance or material fiduciary breach with respect to the Company or an Affiliate; (ii) conduct tending to bring the Company into substantial public disgrace or disrepute; (iii) gross negligence or willful misconduct with respect to the Company or an Affiliate; or (iv) material violation of state or federal securities laws. The Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause.

"Change in Control" means:

(a) with respect to the Company, (i) a sale of all or substantially all of the equity or assets of the Company to an unrelated Person (a "Sale"); or (ii) any merger or consolidation of the Company with another Person if, immediately after giving effect thereto, any Person (or group of Persons acting in concert) other than the Persons holding greater than 50% of the outstanding Common Stock immediately prior thereto (the "Majority Holders") have the power to designate or approve a majority of the members of the board of directors of the Surviving Entity; and

(b) with respect to any Affiliate, as applicable (including, without limitation, the sale of all or substantially all of the assets of the Company or other Affiliate together with such company's subsidiaries, taken as a whole), (i) a Sale of such Affiliate; or (ii) any merger or consolidation of the Affiliate with another Person if, immediately after giving effect thereto, any Person (or group of Persons acting in concert) other than the Affiliate Majority Holders immediately prior thereto have the power to designate or approve a majority of the members of the board of directors of the Affiliate or the surviving entity, that also constitutes a "change in the ownership of a corporation," a "change in the effective control of a corporation," or a "change in the ownership of a substantial portion of a corporation's assets," in each case, within the meaning of Section 1.409A-3(i)(5) of the Treasury Regulations.

The foregoing notwithstanding, a transaction will not constitute a Change in Control if (i) its sole purpose is to change the state of the Company's incorporation or to create a holding company that will be owned in substantially the same proportions by the Persons who held the Company's securities immediately before the transaction; (ii) it constitutes a public offering that results in any security of the Company being listed (or approved for listing), or designated (or approved for designation) as a security on any Established Securities Market; (iii) solely because 50% or more of the total voting power of the Company's then outstanding securities is acquired by a trustee or other fiduciary holding securities under one or more employee benefit plans of the Company or any Affiliate, or any company that, immediately before the acquisition, is owned directly or indirectly by the Company's stockholders in substantially the same proportion as their ownership of stock in the Company immediately before the acquisition; or (iv) it results solely from a change in ownership of an existing stockholder.

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

"Committee" means a committee of one or more members of the Board appointed by the Board to administer the Plan in accordance withSection 3(e).

"Common Stock" means the Company's Class A common stock, $.001 par value per Share.

"Company" means Construction Partners, Inc., a Delaware corporation.

"Consultant" means any natural person who provides bona fide consulting or advisory services to the Company or an Affiliate under a written agreement, which services are not in connection with the offer or sale of securities in a capital raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities.

"Continuous Service" means the uninterrupted service of a Participant with the Company or an Affiliate as an Employee, Director or Consultant. A Participant's Continuous Service will not be deemed interrupted or terminated merely because of a change in the capacity in which the Participant renders service, such as a change in status from Employee to Consultant or Director, or a change in the entity for which the Participant renders service, such as from the Company to an Affiliate, so long as there is no interruption or termination of the Participant's service. The Administrator or its delegate, in its sole discretion, may determine whether Continuous Service will be considered interrupted in the case of any approved leave of absence, including sick leave, military leave or any other personal or family leave of absence.

"Date of Grant" means the first date on which all necessary corporate action has been taken by the Administrator to approve the grant of an Award to a Participant as provided under the Plan, provided the key terms and conditions of the Award are communicated to the Participant within a reasonable period thereafter; or such later date as is designated by the Administrator and specified in the Award Agreement. In any situation where the terms of the Award are subject to negotiation with the Participant, the Date of Grant will not be earlier than the date the key terms and conditions of the Award are communicated to the Participant.

"Detrimental Activity" means any of the following: (a) disclosure of the Company's confidential information to any Person outside the Company, without prior written authorization from the Company or in conflict with the interests of the Company, whether the confidential information was acquired or disclosed by the Participant during or after service with the Company; (b) failure or refusal to disclose promptly or assign to the Company all right, title, and interest in any invention, work product or idea, patentable or not, made or conceived by the Participant during service with the Company, relating in any manner to the interests of the Company or, the failure or refusal to do anything reasonably necessary to enable the Company to secure a patent where appropriate in the United States and in other countries; (c) activity that is discovered to be grounds for or results in termination of the Participant's Continuous Service for Cause; (d) violation or breach of a non-disclosure, confidentiality, intellectual property, privacy, exclusivity or other restrictive covenant in any Award Agreement, Service Agreement or other agreement between the Participant and the Company; (e) any direct or indirect attempt to induce any Employee to be employed or perform services or acts in conflict with the interests of the Company; (f) any direct or indirect attempt, in conflict with the interests of the Company, to solicit the trade or business of any current or prospective customer, client, supplier or partner of the Company; (g) the conviction of, or guilty plea entered by, the Participant for any felony or a crime involving moral turpitude whether or not connected with the Company or (h) the commission of any other act involving willful malfeasance or material fiduciary breach with respect to the Company. All references to "the Company" in this definition refer to the Company and any Affiliate.

"Director" means a member of the Board.

"Disability" means (a) with respect to any Participant who is a party to a Service Agreement that provides for a definition of Disability, as defined therein; and (b) with respect to any other Participant, the Participant's inability to substantially perform his or her duties to the Company or any Affiliate by reason of a medically determinable physical or mental impairment that is expected to last for a period of six months or longer or to result in death. Notwithstanding the foregoing, for purposes of determining the term of an Incentive Stock Option under Section 11(b)(iii), "Disability" means permanent and total disability as defined in Code Section 22(e)(3). The Administrator will determine whether an individual has a Disability under procedures established by the Administrator. Other than for determinations of Disability for purposes of the term of an Incentive Stock Option under Section 11(b)(iii), the Administrator may rely on any determination that a Participant is disabled for purposes of benefits under any long-term disability plan maintained by the Company or any Affiliate in which a Participant participates.

"Effective Date" means August 19, 2016, the date of the Plan's original adoption by the Compensation Committee of the Board.

"Employee" means a common law or statutory employee of the Company or an Affiliate. Mere service as a Director or payment of a Director's fee by the Company or an Affiliate is not sufficient by itself to constitute being an Employee.

"Established Securities Market" means a national securities exchange that is registered under Section 6 of the Exchange Act, a foreign national securities exchange that is officially recognized, sanctioned or supervised by governmental authority or any over-the-counter market that is reflected by the existence of an interdealer quotation system.

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

"Exercise Price" means the price per Share at which the holder of an Option may buy an underlying Share on exercise of the Option.

"Fair Market Value" means, as of the date of any valuation event, the value per Share determined using a presumptively reasonable valuation method under Treasury Regulation section 1.409A-1(b)(5)(iv), as follows:

(i) The Fair Market Value on the date of the Company's initial public offering (as described in Section 12(f)(1)(G) of the Exchange Act) of its Common Stock will be the initial price per Share to the public on that date.

(ii) On any date on which the Common Stock is admitted to trading on an Established Securities Market for which closing prices are reported on any date, Fair Market Value may be determined based on (1) the last sale before or the first sale after the Date of Grant of an Award or any other valuation event; (2) the closing price on the last trading day before the Date of Grant of an Award or any other valuation event; (3) the closing price on the Date of Grant or any other valuation event or (4) an average selling price during a specified period that is within 30 days before or 30 days after the Date of Grant of an Award, on condition that the commitment to grant an Award based on an average selling price during a specified period must be irrevocable before the beginning of the specified period, and the valuation method must be used consistently for grants of Awards under the Plan and substantially similar programs.

(iii) If the Common Stock is readily tradable on an Established Securities Market but closing prices are not reported, Fair Market Value may be determined based on (1) the average of the highest bid and lowest asked prices reported on the last trading day before the Date of Grant of an Award or any other valuation event or on the Date of Grant or any other valuation event or (2) an average of the highest bid and lowest asked prices during a specified period that is within 30 days before or 30 days after the Date of Grant of an Award, on condition that the commitment to grant an Award based on an average selling price during a specified period must be irrevocable before the beginning of the specified period, and the valuation method must be used consistently for grants of Awards under the Plan and substantially similar programs.

(iv) At any time the Common Stock is not readily tradable on an Established Securities Market, the Administrator will determine the Fair Market Value through the reasonable application of a reasonable valuation method based on the facts and circumstances as of the valuation date, including, at the election of the Administrator, by an independent appraisal that meets the requirements of Code Section 401(a)(28)(C) and the regulations issued thereunder as of a date that is no more than 12 months before the relevant transaction to which the valuation is applied (for example, an Option's Date of Grant), and that determination will be conclusive and binding on all Persons.

(v) Notwithstanding anything herein to the contrary, in the event of a Change in Control or other transaction described under Section 14(c), Fair Market Value means the price per Share paid or payable to the Company's stockholders in such transaction.

"Grant Price" means the base value per Share of a Stock Appreciation Right, as determined by the Administrator and as set forth in the Award Agreement.

"Incentive Stock Option" means an Option intended to qualify as an incentive stock option under Section 422 of the Code and the regulations issued thereunder.

"Non-Employee Director" means a "non-employee director" as defined in Rule 16b-3(b)(3) under the Exchange Act.

"Nonqualified Stock Option" means an Option not intended to qualify as an Incentive Stock Option.

"Officer" means an individual who is an "officer" of the Company as defined in Rule 16a-1(f) issued under the Exchange Act.

"Option" means an Incentive Stock Option or a Nonqualified Stock Option granted under the Plan.

"Participant" means an individual to whom an Award is granted under the Plan or, if applicable, such other Person who holds an outstanding Award.

"Performance Award" means an Award granted under Section 9.

"Performance Stock" means Restricted Stock granted under a Performance Award.

"Performance Stock Unit" means a Restricted Stock Unit granted under a Performance Award.

"Permitted Transferee" means a Participant's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law (including adoptive relationships), any individual sharing the Participant's household (other than a tenant or employee), a trust in which these individuals (or the Participant) have more than 50% of the beneficial interest, a foundation in which these individuals (or the Participant) control the management of assets, any other entity in which these individuals (or the Participant) own more than 50% of the voting interests, or such other transferee as may be permitted by the Administrator in its sole discretion.

"Person" means an individual, partnership, limited liability company, corporation, association, joint stock company, trust, joint venture, labor organization, unincorporated organization, governmental entity or political subdivision thereof or any other entity, and includes a syndicate or group as those terms are used in Section 13(d)(3) or 14(d)(2) of the Exchange Act.

"Plan" means this Construction Partners, Inc. 2018 Equity Incentive Plan, which is an amendment and restatement of the SunTX CPI Growth Company, Inc. 2016 Equity Incentive Plan, as it may be amended from time to time.

"Restricted Award" means an Award of Restricted Stock or Restricted Stock Units granted under Section 7.

"Restricted Period" has the meaning set forth in Section 7.

"Restricted Stock" means Shares granted under an Award that are subject to certain restrictions and risk of forfeiture.

"Restricted Stock Unit" means a hypothetical unit granted under an Award evidencing the right to receive one Share or an equivalent value in cash equal to the Fair Market Value (as determined by the Administrator) in the future, which right is subject to certain restrictions and risk of forfeiture.

"Securities Act" means the Securities Act of 1933, as amended.

"Service Agreement" means a written employment agreement, consulting or other service agreement or an employment policy manual, the terms of which have been approved by the Administrator, applicable to a Participant's employment or service with the Company or an Affiliate.

"Share" means one share of Common Stock.

"Stock Appreciation Right" means the right under an Award to receive an amount equal to the difference between the Fair Market Value as of the date of exercise and the Grant Price, multiplied by the number of Shares for which the Award is exercised, as determined under Section 7.

"Surviving Entity" means the Company if immediately following any merger, consolidation or similar transaction, the holders of outstanding voting securities of the Company immediately before the merger or consolidation own equity securities possessing more than 50% of the voting power of the entity existing following the merger, consolidation or similar transaction. In all other cases, the other entity to the transaction and not the Company will be the Surviving Entity. In making the determination of ownership by the stockholders of an entity immediately after the merger, consolidation or similar transaction, equity securities that the stockholders owned immediately before the merger, consolidation or similar transaction as

stockholders of another party to the transaction will be disregarded. Further, outstanding voting securities of an entity will be calculated by assuming the conversion of all equity securities convertible (immediately or at some future time whether or not contingent on the satisfaction of performance goals) into securities entitled to vote.

3. Administration

(a) Administrator. The Compensation Committee of the Board shall administer the Plan unless and until the Board delegates administration to a different Committee or vests authority in the Board for the administration of the Plan, as provided in Section 3(e).

(b) Authority of Administrator. The Administrator will have the power and authority to select Participants and grant Awards under the terms of the Plan.

(c) Specific Authority. In particular, the Administrator will have the authority to:

(i) construe and interpret the Plan and apply its provisions;

(ii) promulgate, amend, and rescind rules and regulations relating to the administration of the Plan;

(iii) authorize any Person to execute, on behalf of the Company, any instrument required to carry out the purposes of the Plan;

(iv) delegate its authority to one or more Officers of the Company with respect to Awards that do not involve any individual who is subject to Section 16 of the Exchange Act, which delegation shall be by a resolution that specifies the total number of Shares that may be subject to Awards by the Officer and the Officer may not make an Award to himself or herself;

(v) determine when Awards are to be granted under the Plan;

(vi) select, subject to the limitations set forth in the Plan, those Participants to whom Awards will be granted;

(vii) determine the number of Shares to be made subject to each Award;

(viii) determine whether each Option is to be an Incentive Stock Option or a Nonqualified Stock Option;

(ix) prescribe the terms and conditions of each Award, including, without limitation, the Grant Price or Exercise Price and medium of payment, vesting provisions, and to specify the provisions of the Award Agreement relating to the grant or sale;

(x) subject to the restrictions applicable under Section 15(c), amend any outstanding Awards, including for the purpose of modifying the time or manner of vesting, the purchase price, Exercise Price or Grant Price or the term of any outstanding Award;

(xi) determine the duration and purpose of leaves of absences that may be granted to a Participant without constituting termination of their Continuous Service for purposes of the Plan, which periods will be no shorter than the periods generally applicable to Employees under the Company's employment policies or as required under applicable law;

(xii) make decisions with respect to outstanding Awards that may become necessary on a Change in Control or an event that triggers capital adjustments; and

(xiii) exercise discretion to make any and all other determinations that it may determine to be necessary or advisable for administration of the Plan.

(d) Decisions Final. All decisions made by the Administrator under the provisions of the Plan will be final and binding on the Company and the Participants, unless a decision is determined by a court having jurisdiction to be arbitrary and capricious.

(e) The Committee.

(i) General. The Board may delegate administration of the Plan to a Committee or Committees of one or more members of the Board, and the term "Committee" applies to any Person or Persons to whom that authority has been delegated. If administration is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in the Plan to the Administrator will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, consistent with the provisions of the Plan, as the Board may adopt. The Board may abolish the Committee at any time and re-vest in the Board the administration of the Plan. The members of the Committee will be appointed by and serve at the pleasure of the Board. The Board may increase or decrease the size of the Committee, add additional members to, remove members (with or without Cause) from, appoint new members in substitution therefor, and fill vacancies, however caused, in the Committee. The Committee shall act by a vote of the majority of its members or, in the case of a Committee comprised of only two members, the unanimous consent of its members, whether present or not, or by the written consent of the majority of its members and shall keep minutes of all of its meetings. Subject to the limitations prescribed by the Plan and the Board, the Committee may establish and follow such rules and regulations for the conduct of its business as it may determine to be advisable.

(ii) Committee Composition when Registration is Required. Whenever any class of the Company's common equity securities is required to be registered under Section 12 of the Exchange Act, in the discretion of the Board, a Committee may consist solely of two or more Non-Employee Directors. The Board has sole discretion to determine whether it intends to comply with the exemption requirements of Rule 16b-3 under the Exchange Act. However, if the Board intends to satisfy such exemption requirements, with respect to Awards to any Officer or Director, the Committee will at all times consist solely of two or more Non-Employee Directors. Within the scope of that authority, the Board or the Committee may delegate to a committee of one or more members of the Board who are not Non-Employee Directors the authority to grant Awards to eligible individuals who are not Officers, Directors, "beneficial owners" (as defined in Rule 16a 1(a)(1) under the Exchange Act) of more than 10% of any class of equity securities of

the Company registered under Section 12 of the Exchange Act or otherwise subject to Section 16 of the Exchange Act. Nothing in this Section 3(e)(ii) is intended to create an inference that an Award granted other than by a committee of the Board consisting at all times solely of two or more Non-Employee Directors is not validly granted under the Plan.

(f) Indemnification. In addition to such other rights of indemnification as they may have as Directors or members of the Committee, and to the extent allowed by applicable law, the Company will indemnify the Administrator against the reasonable expenses, including attorney's fees, actually incurred in connection with any action, suit or proceeding or in connection with any appeal thereof, to which the Administrator may be party by reason of any action taken or failure to act under or in connection with the Plan or any Award granted under the Plan, and against all amounts paid by the Administrator in settlement thereof (subject, however, to the Company's approval of the settlement, which approval the Company will not unreasonably withhold) or paid by the Administrator in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it is adjudged in the action, suit or proceeding that the Administrator did not act in good faith and in a manner that the Person reasonably believed to be in the best interests of the Company, and in the case of a criminal proceeding, had no reason to believe that the conduct complained of was lawful. Notwithstanding the foregoing, it is a condition precedent to the Company's obligations in this Section 3(f) that within 60 days after institution of any such action, suit or proceeding, the Administrator or Committee member offer the Company in writing the opportunity at its own expense to handle and defend the action, suit or proceeding.

4. Shares Subject to the Plan

(a) Share Reserve. Subject to adjustment under Section 14(a), the maximum aggregate number of Shares that may be issued on exercise or vesting of all Awards under the Plan is [ ] Shares, all of which may be used for any Awards. Each Share subject to any Award granted hereunder will be counted against the Share reserve on the basis of one Share for every Share subject thereto.

(b) Return of Shares to the Share Reserve. If any Award for any reason is forfeited, cancelled, expires or otherwise terminates, in whole or in part, the unissued Shares under the Award will revert to and again become available for issuance under the Plan. Notwithstanding the foregoing, Shares used to pay the Exercise Price of an Option or to satisfy a Participant's tax obligations for any Award, whether tendered to or withheld by the Company, will not be available again for other Awards under the Plan, and all Shares underlying any Stock Appreciation Right, or any other Award that is settled in cash and not in Shares, will not be counted against the foregoing Share reserve. Notwithstanding anything in this Section 4 to the contrary and subject to adjustment under Section 14(a), the maximum number of Shares that may be issued on the exercise of Incentive Stock Options will equal the aggregate number of Shares stated in subsection (a) plus, to the extent permitted under Section 422 of the Code and the Treasury regulations thereunder, any Shares that become available for issuance under the Plan under this Section 4(b).

(c) Source of Shares. Shares issued under an Award may consist of authorized and unissued Shares, Shares held by the Company as treasury shares and Shares purchased on the open market, and may be subject to restrictions deemed appropriate by the Administrator.

5. Award Eligibility and Limitations

(a) Restricted Awards, Performance Awards and other Stock-Based Awards may be granted to any Employee, Director or Consultant of the Company or any Affiliate.

(b) Nonqualified Stock Options and Stock Appreciation Rights may be granted to any Employee, Director or Consultant of the Company or of a direct or indirect majority-owned subsidiary of the Company with respect to which the Company, on the Date of Grant, is an "eligible issuer" under Treasury Regulation section 1.409A-1(b)(5)(iii)(E)(1).

(c) Incentive Stock Options may be granted only to an Employee of the Company or a corporation that, on the Date of Grant, is a "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Sections 424(e) and 424(f), respectively.

(d) Director Awards.

(i) Each Non-Employee Director of the Company will be eligible to receive discretionary grants of Awards under the Plan. If the Board or the compensation committee of the Board separately has adopted or in the future adopts a compensation policy covering some or all Non-Employee Directors that provides for a predetermined formula grant that specifies the type of Award, the timing of the Date of Grant and the number of Shares to be awarded under the terms of the Plan, that formula grant will be incorporated herein by reference and will be administered as if provided under the terms of the Plan without any requirement that the Administrator separately take action to determine the terms of those Awards.

(ii) Subject to capitalization adjustment under Section 14(a), the aggregate dollar value of Awards (calculated as the Date of Grant fair value of such Awards for financial reporting purposes) granted under this Plan or otherwise during any calendar year to any non- Non-Employee Director will not exceed $[ ], rounded up to the nearest full Share. The foregoing limit may be multiplied by two with respect to Awards granted in the calendar year in which a Non-Employee Director first joins the Board.

6. Options

Each Option will be in such form and will contain such terms and conditions as the Administrator deems appropriate. All Options will be separately designated Incentive Stock Options or Nonqualified Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for Shares purchased on exercise of each type of Option. Notwithstanding the foregoing, the Company will have no liability to any Participant or any other Person if an Option designated as an Incentive Stock Option fails to qualify as an Incentive Stock Option at any time. No dividends or dividend equivalents will be paid on any Option. The provisions of separate Options need not be identical, but each Option will include (through incorporation of provisions hereof by reference in the Option or otherwise) the substance of each of the following provisions:

(a) Term and Expiration. The term during which an Option is exercisable will be the period determined by the Administrator as set forth in the applicable Award Agreement, provided that no Option may be exercisable later than 10 years after the Date of Grant.

(b) Exercise Price. The Exercise Price for each Option will be equal to or greater than the Fair Market Value on the Date of Grant; provided that an Option granted under an assumption or substitution for another stock option in a manner satisfying the provisions of Section 424(a) of the Code, as if the Option was a statutory stock option, may be granted with an Exercise Price lower than the Fair Market Value on the Date of Grant.

(c) Term and Exercise Price of Incentive Stock Options Granted to Ten Percent Stockholders Notwithstanding the foregoing, no Incentive Stock Option granted to an Employee who owns (or is deemed under Section 424(d) of the Code to own) more than 10% of the total combined voting power of all classes of stock of the Company or of any "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Sections 424(e) and 424(f), respectively, may be exercisable later than five years after the Date of Grant or have an exercise price that is less than 110% of the Fair Market Value on the Date of Grant.

(d) Repricing Prohibited. Except as otherwise provided in Section 14, without the prior approval of the Company's stockholders: (i) the Exercise Price of an Option may not be directly or indirectly reduced; (ii) no Option may be cancelled in exchange for cash, an Option or Stock Appreciation Right with an Exercise Price or Grant Price that is less than the Exercise Price of the original Option, any other Award or otherwise and (iii) the Company shall not purchase an Option for value from a Participant if the current Fair Market Value of the Shares underlying the Option is lower than the Option's Exercise Price.

(e) Payment of Exercise Price. The Exercise Price for Shares purchased under an Option will be paid in cash or by certified or bank check at the time the Option is exercised, or, to the extent permitted by applicable laws and regulations, in the Administrator's sole discretion and on such terms as the Administrator approves: (i) by tendering previously-acquired Shares (either actually or by attestation), duly endorsed for transfer to the Company, valued at their Fair Market Value on the date of delivery; (ii) by a copy of instructions directing a broker to sell Shares for which the Option is exercised and to remit to the Company the aggregate Exercise Price due for the number of Shares being purchased; (iii) by a "net exercise" method whereby the Company withholds from the delivery of the Shares for which the Option was exercised that number of Shares having a Fair Market Value equal to the aggregate Exercise Price for the Shares for which the Option was exercised, upon which the Option will be surrendered and cancelled with respect to the total number of Shares for which the Option was exercised; or (iv) in any other form of legal consideration that may be acceptable to the Administrator, including without limitation with a full-recourse promissory note, subject to any requirements of applicable law that the par value (if any) of Shares, if newly issued, be paid in cash or cash equivalents.

(f) Terms for Payment by Promissory Note

(i) The interest rate payable under the terms of a promissory note will not be less than the minimum rate (if any) required to avoid the imputation of additional interest under the Code. Subject to the foregoing, the Administrator (in its sole discretion) will specify the term, interest rate, amortization requirements (if any) and other provisions of the note. Unless the Administrator determines otherwise, the holder will be required to pledge to the Company Shares having an aggregate Fair Market Value equal to or greater than the principal amount of the loan as security for payment of the unpaid balance of the loan, which pledge must be evidenced by a pledge agreement, the terms of which the Administrator will determine, in its discretion; except that each loan must comply with all applicable laws, regulations and rules of the Board of Governors of the Federal Reserve System and any other governmental agency having jurisdiction. Unless the Administrator determines otherwise, the purchase price of Shares acquired under an Option that is paid by delivery (or attestation) to the Company of other shares acquired, directly or indirectly, from the Company, will be paid only by Shares that satisfy any requirements necessary to avoid liability award accounting treatment.

(ii) Notwithstanding the foregoing, at any time that the Company is an "issuer" as defined in Section 2 of the Sarbanes-Oxley Act of 2002, no Director or Officer (or equivalent thereof) of the Company or an Affiliate will be permitted to pay any part of the Exercise Price with a promissory note or in any other form that could be deemed a prohibited personal loan under Section 13(k) of the Exchange Act. Unless otherwise provided in the terms of an Award Agreement, payment of the Exercise Price by a Participant who is an Officer, a Director or otherwise subject to Section 16 of the Exchange Act, by delivery or attestation to the Company of other Shares acquired, directly or indirectly, from the Company is subject to pre-approval by the Administrator, in its sole discretion. The Administrator will document any suchpre-approval in a manner that complies with the specificity requirements of Rule 16b-3 under the Exchange Act.

(g) Vesting. The Option may, but need not, vest and thereby become exercisable in periodic installments that may, but need not, be equal. The Option may be subject to such other terms and conditions on the time or times when it may be exercised (which may be based on performance or other criteria) as the Administrator determines to be appropriate. The vesting provisions of individual Options may vary. The Administrator may, but will not be required to, provide that no Option may be exercised for a fraction of a Share. The Administrator may, but will not be required to, provide for an acceleration of vesting and exercisability in the terms of the Award Agreement for any Option upon the occurrence of a specified event.

(h) Incentive Stock Option $100,000 Limitation. To the extent that the aggregate Fair Market Value of Common Stock on the Date of Grant with respect to which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Company and any "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Section 424(e) and (f), respectively) exceeds $100,000, the Options or portions thereof which exceed that limit (according to the order in which they were granted) will be treated as Nonqualified Stock Options.

(i) Early Exercise. The Option may, but need not, include a provision whereby the Participant may elect at any time before the Participant's Continuous Service terminates to exercise the Option as to any part or all of the Shares subject to the Option prior to the full vesting of the Option. In that case, the Shares acquired on exercise will be subject to the vesting schedule that otherwise would apply to determine the exercisability of the Option. Any unvested Shares so purchased may be subject to any other restriction the Administrator determines to be appropriate.

(j) Employee Transfer, Approved Leave of Absence. For purposes of Incentive Stock Options, no termination of employment by an Employee will be deemed to result from either (i) a transfer to the employment of the Company from a "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Section 424(e) and (f), respectively, from the Company to a parent corporation or subsidiary corporation or from one parent or subsidiary corporation to another; or (ii) an approved leave of absence for military service or sickness or for any other purpose approved by the Company, if the period of leave does not exceed three months or, if longer, the Employee's right to re-employment is guaranteed either by a statute or by contract.

(k) Disqualifying Dispositions. Each Participant awarded an Incentive Stock Option will be required to immediately notify the Company in writing as to the occurrence of a disqualifying disposition of any Shares acquired by exercise of the Incentive Stock Option, and the price realized on the disqualifying disposition of those shares. A "disqualifying disposition" is any disposition (including, without limitation, any sale or transfer) before the later of (i) two years after the Date of Grant of the Incentive Stock Option or (ii) one year after the issuance of the shares acquired by exercise of the Incentive Stock Option. The Company may, if determined by the Administrator and in accordance with procedures established by the Administrator, retain possession of any Shares acquired by exercise of an Incentive Stock Option as agent for the applicable Participant until the end of the period described in the preceding sentence.

7. Stock Appreciation Rights

A Stock Appreciation Right may be granted either alone or in tandem with all or part of an Option. A Stock Appreciation Right granted in tandem with a Nonqualified Stock Option may be granted at or after the time of grant of the related Option, but a Stock Appreciation Right granted in tandem with an Incentive Stock Option may be granted only at the time of the grant of the related Option.

(a) Grant Requirements. A Stock Appreciation Right may be granted only if it does not provide for the deferral of compensation within the meaning of Section 409A of the Code. A Stock Appreciation Right does not provide for a deferral of compensation if: (i) the Grant Price may never be less than the Fair Market Value on the Date of Grant, (ii) the compensation payable under the Stock Appreciation Right can never be greater than the difference between the Fair Market Value on the date of exercise and the Grant Price, (iii) the number of Shares, as applicable, subject to the Stock Appreciation Right is fixed on the Date of Grant, and (iv) the Stock Appreciation Right does not include any feature for the deferral of compensation other than the deferral of recognition of income until the exercise of the right. No dividends or dividend equivalents may be paid on any outstanding Stock Appreciation Right.

(b) Grant Price. The Administrator will determine the Grant Price of a Stock Appreciation Right, which in the case of a Stock Appreciation Right granted independent of any Option will not be less than the Fair Market Value on the Date of Grant. The Grant Price of a Stock Appreciation Right granted in tandem with an Option will be the Exercise Price of the

related Option. A Stock Appreciation Right granted in tandem with an Option will be exercisable only to the same extent as the related Option, provided that by its terms, such Stock Appreciation Right will be exercisable only when the Fair Market Value exceeds the Grant Price of the Stock Appreciation Right.

(c) Repricing Prohibited. Except as otherwise provided in Section 14, without the prior approval of the Company's stockholders: (i) the Grant Price of a Stock Appreciation Right may not be directly or indirectly reduced; (ii) a Stock Appreciation Right may not be cancelled in exchange for cash, an Option or Stock Appreciation Right with an Exercise Price or Grant Price that is less than the Grant Price of the original Stock Appreciation Right, any other Award or otherwise; and (iii) the Company may not purchase a Stock Appreciation Right for value from a Participant if the current Fair Market Value is less than the Stock Appreciation Right's Grant Price.

(d) Vesting. The Stock Appreciation Right will be subject to a Restricted Period that specifies forfeiture in accordance with a vesting schedule to be determined by the Administrator. The Administrator in its discretion may provide for an acceleration of vesting in the terms of any Stock Appreciation Right upon a specified event, including without limitation a Change in Control.

(e) Exercise and Settlement. Upon delivery to the Administrator of a written request to exercise a Stock Appreciation Right, the holder will be entitled to receive from the Company, an amount equal to the product of (i) the excess of the Fair Market Value on the date of exercise over the Grant Price specified in the Award Agreement, multiplied by (ii) the number of Shares for which the Stock Appreciation Right is being exercised. Settlement with respect to the exercise of a Stock Appreciation Right will be on the date of exercise and may be made in the form of Shares valued at Fair Market Value on the date of exercise (with or without restrictions as to substantial risk of forfeiture and transferability, as determined by the Administrator in its sole discretion), cash or a combination of Shares and cash, as determined by the Administrator in its sole discretion.

(f) Reduction in the Underlying Option Shares. On the exercise of a Stock Appreciation Right granted in tandem with an Option, the number of Shares for which the related Option is exercisable will be reduced by the number of such Shares for which the Stock Appreciation Right has been exercised. The number of Shares for which a tandem Stock Appreciation Right is exercisable will be reduced on any exercise of any related Option by the number of such Shares for which the Option has been exercised.

(g) Written Request. Unless otherwise determined by the Administrator in its sole discretion, Stock Appreciation Rights will be settled in Shares as specified in the Award Agreement. If permitted in the Award Agreement, a Participant may request that any exercise of a Stock Appreciation Right be settled for cash, but a Participant will not have any right to demand a cash settlement. A request for a cash settlement may be made only by a written request filed with the Corporate Secretary of the Company during the period beginning on the third business day following the date of release for publication by the Company of quarterly or annual summary statements of earnings and ending on the twelfth business day following that date. Within 30 days of the receipt by the Company of a written request to receive cash in full or

partial settlement of a Stock Appreciation Right or to exercise the Stock Appreciation Right for cash, the Administrator will, in its sole discretion, either consent to or disapprove, in whole or in part, the written request. A written request to receive cash in full or partial settlement of a Stock Appreciation Right or to exercise a Stock Appreciation Right for cash may provide that, if the Administrator disapproves the written request, the written request will be treated as an exercise of the Stock Appreciation Right for Shares.

(h) Disapproval by Administrator. If the Administrator disapproves in whole or in part any request by a Participant to receive cash in full or partial settlement of a Stock Appreciation Right or to exercise such Award for cash, the disapproval will not affect the Participant's right to exercise the Stock Appreciation Right at a later date, to the extent that it would be otherwise exercisable, or to request a cash form of payment at a later date, in each case subject to the approval of the Administrator. Additionally, the disapproval will not affect the Participant's right to exercise any related Option.

8. Restricted Awards

A Restricted Award is an Award of Restricted Stock or Restricted Stock Units, which provides that, except as otherwise provided in Section 16(d) with respect to Permitted Transferees, the Restricted Award may not be sold, assigned, transferred or otherwise disposed of, pledged or otherwise encumbered for the period (the "Restricted Period") determined by the Administrator. Each Restricted Award will be in such form and will contain such terms, conditions, and Restricted Periods as the Administrator determines to be appropriate, including the treatment of dividends or dividend equivalents, as the case may be. The terms and conditions of the Restricted Award may change from time to time, and the terms and conditions of separate Restricted Awards need not be identical, but each Restricted Award must include (through incorporation of provisions hereof by reference in the Award Agreement or otherwise) the substance of each of the following provisions:

(a) Payment for Restricted Awards. The purchase price of Shares acquired under a Restricted Award, if any, will be determined by the Administrator and may be stated as cash, property or services rendered or to be rendered to the Company or an Affiliate for its benefit. Shares acquired in connection with a Restricted Award may be issued for such consideration, having a value not less than the par value thereof, as may be determined by the Administrator. Required consideration for Shares acquired in connection with a Restricted Award may be paid: (i) in cash at the time of purchase; or (ii) in any other form of legal consideration that may be acceptable to the Administrator in its discretion including, without limitation, a recourse promissory note, property or services that the Administrator determines have a value at least equal to the purchase price of the Restricted Award. Notwithstanding the foregoing, at any time that the Company is an "issuer" as defined in Section 2 of the Sarbanes-Oxley Act of 2002, no Director or Officer (or equivalent thereof) of the Company or an Affiliate will be permitted to pay any portion of the purchase price for Shares acquired under a Restricted Award with a promissory note or in any other form that could be deemed a prohibited personal loan under Section 13(k) of the Exchange Act.

(b) Vesting. The Restricted Award, and any Shares acquired thereunder, may, but need not, be subject to a Restricted Period that specifies a repurchase right in favor of the Company, or forfeiture where the consideration was in the form of services, in accordance with a vesting schedule to be determined by the Administrator. The Administrator in its discretion may provide for an acceleration of vesting in the terms of any Restricted Award, at any time, including upon a Change in Control. The Administrator in its discretion may grant a Restricted Award that is, in whole or in part, vested upon grant and not subject to a Restricted Period.

(c) Concurrent Tax Payment. The Administrator may, in its sole discretion, provide for payment of a concurrent cash award in an amount equal to all or part of the estimated after-tax amount required to satisfy applicable federal, state or local tax withholding obligations arising from the receipt and deemed vesting of Restricted Stock for which an election under Code Section 83(b) may be required.

(d) Lapse of Restrictions. Subject to the Participant's Continuous Service, upon the expiration or termination of the Restricted Period and the satisfaction of any other conditions prescribed by the Administrator (including, without limitation, the Participant's satisfaction of applicable tax withholding obligations attributable to the Award), the restrictions applicable to the Restricted Award will lapse and the number of Shares with respect to which the restrictions have lapsed will be issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company, or by delivery of a stock certificate), free of any restrictions except those that may be imposed by law, the terms of the Plan or the terms of a Restricted Award, to the Participant or the Participant's beneficiary or estate, as the case may be, unless the Restricted Award is subject to a deferral condition that complies with Section 409A of the Code and the regulations thereunder as may be allowed or required by the Administrator in its sole discretion. The Company will not be required to deliver any fractional Share but may pay, in lieu thereof, the Fair Market Value of the fractional share in cash to the Participant or the Participant's beneficiary or estate, as the case may be. With respect only to Restricted Stock Units, unless otherwise subject to a deferral condition that complies with Section 409A of the Code, the Shares (or cash, as applicable) will be issued and the Participant will be entitled to the beneficial ownership rights thereof not later than (i) the date that is 2 ½ months after the end of the Participant's taxable year (or the end of the Company's taxable year, if later) for which the Restricted Period ends and the Restricted Stock Unit is no longer subject to a substantial risk of forfeiture, or (ii) such earlier date as may be necessary to avoid application of Section 409A of the Code to the Award.

(e) Stockholder Rights. Unless otherwise provided by the Administrator in an Award Agreement, the holder of shares of Restricted Stock will be entitled to vote such Shares. Dividends, if any, paid on shares of Restricted Stock will be held by the Company, without interest, until such time as the restrictions lapse on the related shares of Restricted Stock. Dividends on shares of Restricted Stock that are forfeited will also be forfeited to the Company.

(f) Dividends on Restricted Stock Units. In the case of Restricted Stock Units, the Participant will not be entitled to receive dividends or dividend equivalents unless the Award Agreement specifically provides therefor.

(g) Delivery of Restricted Stock. Shares of Restricted Stock will be delivered to the Participant on the Date of Grant either by book-entry registration or by delivering to the Participant, or to a custodian or escrow agent (including, without limitation, the Company or one

or more of its Employees) designated by the Administrator, a stock certificate or certificates registered in the name of the Participant. If physical certificates representing shares of the Restricted Stock are registered in the name of the Participant, such certificates must bear an appropriate legend referring to the terms, conditions and restrictions applicable to such Shares.

9. Performance Awards

The Administrator may designate any Award as a Performance Award, which will vest only on the attainment of performance goals specified in the Award Agreement. Performance Awards may be granted independent of or in connection with the granting of any other Award under the Plan. A Performance Award may be granted under the Plan to any Participant, including a Participant who qualifies for awards under other performance plans of the Company. The Administrator will determine in its sole discretion whether and to whom Performance Awards will be granted, the performance goals for each Performance Award, the performance period or periods for measuring performance, and all other limitations and conditions applicable to Performance Awards. The Administrator, in its sole discretion, may rely on the performance goals and other standards applicable to other performance plans of the Company in setting the standards for Performance Awards under the Plan.

(a) Performance Goals.

(i) A performance goal will be based on apre-established formula or standard that specifies the manner of determining the number of Shares under the Performance Award that will be issued or will vest if the performance goal is attained. Performance goals may be based on one or more business criteria, which may be applied to a Participant, a business unit or the Company and its Affiliates, including without limitation one or any combination of the following: (1) revenues; (2) earnings before all or any of interest expense, taxes, depreciation and/or amortization ("EBIT," "EVITA," or "EBITDA"); (3) funds from operations; (4) funds from operations per share; (5) operating income; (6) operating income per share; (7) pre-tax or after-tax income; (8) net cash provided by operating activities; (9) cash available for distribution; (10) cash available for distribution per share; (11) working capital and components thereof; (12) sales (net or gross) measured by product line, territory, customer or customers or other category; (13) return on equity or average stockholders' equity; (14) return on assets; (15) return on capital; (16) enterprise value or economic value added; (17) share price performance; (18) improvements in the Company's attainment of expense levels; (19) implementation or completion of critical projects; (20) improvement in cash-flow (before or after tax); (21) net earnings; (22) earnings per share; (23) earnings from continuing operations; (24) net worth; (25) credit rating; (26) levels of expense, cost or liability by category, operating unit or any other delineation; (27) any increase or decrease of one or more of the foregoing over a specified period; or (28) the occurrence of a Change in Control.

(ii) A performance goal may be measured over a performance period on a periodic, annual, cumulative or average basis and may be established on a corporate-wide basis or with respect to one or more operating units, divisions, subsidiaries, acquired businesses, minority investments, facilities, partnerships or joint ventures. More than one performance goal may be incorporated in a performance objective, in which case achievement with respect to each performance goal may be assessed individually or in combination with each other. The

Administrator may, in connection with the establishment of performance goals for a performance period, establish a matrix setting forth the relationship between performance on two or more performance goals and the amount of the Performance Award payable for that performance period. The level or levels of performance specified with respect to a performance goal may be established in absolute terms, as objectives relative to performance in prior periods, as an objective compared to the performance of one or more comparable companies or an index covering multiple companies on a per share basis, against the performance of the Company as a whole or against particular entities, segments, operating units or products of the Company, on a pre-tax or after-tax basis, in tandem with any other performance goal, or otherwise as the Administrator may determine. The Administrator may, in connection with the establishment of performance goals for a performance period, specify one or more adjustments to any of the business criteria specified in Section 9(a)(i).

(iii) Performance goals may be objective or subjective and may differ for Performance Awards granted to any one Participant or to different Participants. A Performance Award may provide, as determined by the Administrator, that if the Participant's Continuous Service ceases before the end of the performance period for any reason, the Performance Award will be payable only if the applicable performance objectives are achieved and to the extent, if any, determined by the Administrator. Performance goals may be based on increases in a specific business criterion, on maintaining the status quo or on limiting economic losses.

(iv) The Administrator may provide in any Performance Award that any evaluation of performance may include or exclude the effect, if any, on reported financial results of objectively determinable events that occur during a performance period, including, without limitation: (1) asset write-downs; (2) litigation or claim judgments or settlements; (3) changes in tax laws, accounting principles or other laws or provisions; (4) reorganization or restructuring programs, including share repurchasing programs; (5) acquisitions or divestitures; (6) foreign currency exchange translations gains and losses; (7) any loss from a discontinued operation as described in the Accounting Standards Codification Topic 360; (8) goodwill impairment charges; (9) revenue or earnings attributable to minority ownership in another entity; (10) any amounts accrued by the Company or an Affiliate pursuant to management bonus plans or cash profit sharing plans and related employer payroll taxes for the fiscal year; (11) any discretionary or matching contributions made to a savings and deferred profit-sharing or deferred compensation plan for the fiscal year; (12) interest, expenses, taxes, depreciation and depletion, or amortization and accretion charges; or (13) gains and losses that are treated as extraordinary items under Accounting Standards Codification Topic 225.

(b) Satisfaction of Performance Goals. A Participant will be entitled to receive Shares (as evidenced either by a stock certificate or by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) under a Performance Award only upon satisfaction of all conditions specified in the Award Agreement for the Performance Award, including, without limitation, the Participant's satisfaction of applicable tax withholding obligations attributable to the Performance Award. With respect only to a Performance Stock Unit Award, Shares, or cash, as applicable, will be issued and delivered and the Participant will be entitled to the beneficial ownership rights thereof not later than (i) the date that is 2 ½ months after the end of the Participant's taxable year (or the end of the Company's taxable year, if later) for which the Performance Stock Unit Award is no longer subject to a substantial risk of forfeiture, and (ii) such earlier date as may be necessary to avoid application of Section 409A of the Code to the Performance Stock Unit Award.

(c) Acceleration, Waiver, Etc. At any time before the Participant's termination of Continuous Service, the Administrator may in its sole discretion and subject to Section 15, amend any or all of the goals, restrictions or conditions imposed under any Performance Award.

10. Other Stock-Based Awards

The Administrator may, either alone or in connection with the grant of other Awards, grant other stock-based Awards not otherwise described in the Plan that are payable in, valued in whole or in part by reference to, or are otherwise based on Shares, including without limitation dividend equivalent rights, as deemed by the Administrator consistent with the purpose of the Plan. The Administrator will determine the terms and conditions of any such Award.

11. Treatment of Awards on Termination of Continuous Service

(a) Unvested Awards Generally. Unless otherwise provided in an Award Agreement or Service Agreement, if a Participant's Continuous Service terminates for any reason, the Participant will forfeit the unvested portion of any Award acquired in consideration of services, all unvested Shares held by the Participant as of the date of termination under the terms of any Award will be forfeited or, if applicable, may be repurchased by the Company at the lesser of the purchase price paid by the Participant or the current Fair Market Value, and the Participant will have no rights with respect to any Award or Shares so forfeited or repurchased.

(b) Options and Stock Appreciation Rights.

(i) Other than for Cause, death or Disability. Unless otherwise provided in an Award Agreement or Service Agreement, if a Participant's Continuous Service is terminated for any reason other than due to the Participant's death or Disability or by the Company for Cause, the Participant may exercise his or her Option or Stock Appreciation Right (to the extent vested and exercisable as of the date of termination) during the period ending on the earlier of (1) the date that is three months after the termination of the Participant's Continuous Service or (2) the expiration of the original term of the Award as set forth in the Award Agreement. Any unexercised Option or Stock Appreciation Right held by the Participant will automatically terminate at the close of business on the last day of such period and will thereafter not be exercisable.

(ii) For Cause. If the Participant's Continuous Service is terminated by the Company or an Affiliate for Cause, all outstanding Options and Stock Appreciation Rights (whether or not vested) will be forfeited and expire as of the beginning of business on the date of termination.

(iii) Participant Death or Disability. Unless otherwise provided in an Award Agreement or Service Agreement, if a Participant's Continuous Service is terminated as a result of the Participant's death or Disability, the Participant's Option or Stock Appreciation Right may be exercised (to the extent the Award was vested and exercisable as of the date of termination) by the Participant or the Participant's estate, designated beneficiary or such other Person who

acquired the right to exercise the Award by bequest or inheritance, but only during the period ending on the earlier of (1) the date that is 12 months following the date of termination or (2) the expiration of the original term of the Option or Stock Appreciation Right as set forth in the Award Agreement. Any unexercised Option or Stock Appreciation Right held by the Participant or such other Person will terminate at the end of such period.

(iv) Extension of Option or Stock Appreciation Right Termination Date. An Award Agreement may provide that if the exercise of an Option or Stock Appreciation Right following the termination of the Participant's Continuous Service for any reason (other than on the Participant's death or Disability or termination by the Company for Cause) would violate any applicable federal, state or local law, the Award will terminate only on the earlier of (1) the expiration of the original term of the Award or (2) the date that is 30 days after the exercise of the Award would no longer violate any applicable federal, state or local law.

12. Covenants of the Company

(a) Availability of Shares. During the terms of the Awards, the Company will keep available at all times the number of Shares required to satisfy the Awards.

(b) Securities Law Compliance. Each Award Agreement will provide that no Shares may be purchased or sold thereunder unless and until any then applicable requirements of state, federal or applicable foreign laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel. The Company will use reasonable efforts to seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Awards and to issue and sell Shares upon exercise of Awards; however, this undertaking will not require the Company to register under the Securities Act the Plan, any Award or any Common Stock issued or issuable pursuant to any Award. If, after reasonable efforts, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company determines to be necessary for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Shares on exercise of any Awards unless and until that authority is obtained.

13. Company Use of Proceeds from Awards

Proceeds from the sale of Shares under the Plan will be general funds of the Company.

14. Adjustments for Changes in Stock

(a) Capitalization Adjustments. If any change is made in the Common Stock without the receipt of consideration by the Company (through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating dividend, combination of Shares, exchange of Shares, change in corporate structure or other transaction not involving the receipt of consideration by the Company), then (i) the aggregate number of Shares or the class of securities that may be purchased pursuant to Awards granted hereunder; (ii) the aggregate number of Shares or the class of securities that may be purchased pursuant to Incentive Stock Options granted hereunder; (iii) the number or class of

securities covered by outstanding Awards; (iv) the maximum number of Shares with respect to which Options, Stock Appreciation Rights and Performance Awards may be granted to any single Employee during any calendar year and (v) the Exercise Price of any Option and the Grant Price of any Stock Appreciation Right in effect before the change shall be proportionately adjusted by the Administrator to reflect any increase or decrease in the number of issued Shares or change in the Fair Market Value resulting from the transaction; provided that any fractional Shares resulting from the adjustment will be aggregated until, and eliminated at, the time of exercise or settlement by rounding down. The Administrator shall make these adjustments in a manner that will provide an appropriate adjustment that neither increases nor decreases the value of the Award as in effect immediately before the corporate change, and its determination will be final, binding and conclusive. The conversion of any securities of the Company that are by their terms convertible will not be treated as a transaction "without receipt of consideration" by the Company.

(b) Dissolution or Liquidation. In the event of a dissolution or liquidation of the Company, then, subject toSection 14(c), all outstanding Awards will terminate immediately before the dissolution or liquidation.

(c) Change in Control – Asset Sale, Merger, Consolidation or Reverse Merger. Unless otherwise provided in an Award Agreement or Service Agreement and to the extent permitted by applicable law, in the event of a Change in Control, a dissolution or liquidation of the Company, an exchange of securities or any corporate separation or division, including, but not limited to, a split-up, a split-off or a spin-off or a sale, in one or a series of related transactions, of all or substantially all of the assets of the Company; a merger or consolidation in which the Company is not the Surviving Entity; or a reverse merger in which the Company is the Surviving Entity, but the Shares outstanding immediately preceding the merger are converted by virtue of the merger into other property, whether in the form of securities, cash or otherwise, then the Company, to the extent permitted by applicable law, but otherwise in the sole discretion of the Administrator may provide for: (i) the continuation of outstanding Awards by the Company (if the Company is the Surviving Entity); (ii) the assumption of the Plan and the outstanding Awards by the Surviving Entity or its parent; (iii) the substitution by the Surviving Entity or its parent of awards with substantially the same terms (including an award to acquire the same consideration paid to the stockholders in the transaction described in this Section 14(c)) for the outstanding Awards and, if appropriate, subject to the equitable adjustment provisions ofSection 14(a); (iv) the cancellation of the outstanding Awards in consideration for a payment (in the form of securities, cash or such other consideration and under the same terms and conditions as is paid to the stockholders of the Company in the transaction) equal in value to the Fair Market Value of the Shares underlying each vested Award, or in the case of an outstanding Option or Stock Appreciation Right, the difference between the Fair Market Value and the Exercise Price or Grant Price for all Shares subject to exercise (i.e., to the extent vested) under the Option or Stock Appreciation Right (subject in each case to withholding as required by applicable law); or (v) the cancellation of the outstanding Awards without payment of any consideration. If Awards would be canceled without consideration for vested Options or Stock Appreciation Rights, the Participant will be given the right to exercise the Option or Stock Appreciation Right prior to the merger or consolidation in whole or in part without regard to any installment exercise provisions in the applicable Award Agreement.

15. Amendment of the Plan and Awards

(a) Plan Amendment. The Board or an authorized committee of the Board at any time may amend or terminate the Plan. However, except as provided in Section 14(a) relating to adjustments upon changes in the Common Stock, no amendment will be effective unless approved by the stockholders of the Company to the extent stockholder approval is necessary to satisfy any applicable law or any securities exchange listing requirements. At the time of any amendment, the Board or its authorized committee shall determine, upon advice from counsel, whether the amendment will be contingent on stockholder approval.

(b) Contemplated Amendments. It is expressly contemplated that the Board or an authorized committee of the Board may amend the Plan in any respect the Board or its authorized committee determines necessary or advisable to provide eligible Employees with the maximum benefits provided or to be provided under the provisions of the Code and the regulations issued thereunder relating to Incentive Stock Options or to the nonqualified deferred compensation provisions of Section 409A of the Code and to bring the Plan and Awards granted hereunder into compliance therewith. Notwithstanding the foregoing, neither the Board nor the Company nor any Affiliate will have any liability to any Participant or any other Person as to (a) any tax consequences expected, but not realized, by a Participant or any other Person due to the receipt, exercise or settlement of any Award granted hereunder; or (b) the failure of any Award to comply with Section 409A of the Code.

(c) Amendment of Awards. Subject to Sections 15(d) and 15(e), the Administrator at any time may amend the terms of any one or more Awards. Except as otherwise permitted under Section 14, unless stockholder approval is obtained: (i) no amendment or modification may reduce the Exercise Price of any Option or the Grant Price of any Stock Appreciation Right; (ii) the Administrator may not cancel any outstanding Option or Stock Appreciation Right and replace it with a new Option or Stock Appreciation Right, another Award or cash, if doing so would be considered a "repricing" for purposes of the stockholder approval rules of the applicable securities exchange or interdealer quotation system on which the Common Stock is listed or quoted; and (iii) the Administrator may not take any other action that is considered a repricing for purposes of the stockholder approval rules of the applicable securities exchange or interdealer quotation system on which the Common Stock is listed or quoted.

(d) No Impairment of Rights. No amendment of the Plan or an Award may impair rights or increase a Participant's obligations under any Award granted before the amendment unless (i) the Company requests the consent of the Participant and (ii) the Participant consents in writing. For the avoidance of doubt, a cancellation of an Award where the Participant receives a payment equal in value to the Fair Market Value of the vested Award or, in the case of a vested Option or Stock Appreciation Right, the difference between the Fair Market Value of the Shares subject to the Award and the Exercise Price or Grant Price, is not an impairment of the Participant's rights or increase in the Participant's obligations that requires consent of the Participant.

(e) Acceleration of Exercisability and Vesting. The Administrator has the power to accelerate at any time the time at which an Award may first be exercised or the time at which an Award or any part thereof will vest and restrictions thereon will lapse in accordance with the Plan, notwithstanding the provisions in the Award stating the time at which it may first be exercised or the time during which it will vest.

16. General Provisions

(a) Stockholder Rights. Except as provided in Section 14(a) or as otherwise provided in an Award Agreement, no Participant will be considered the holder of, or to have any of the rights of a holder with respect to, any Shares subject to an Award unless and until the Participant has satisfied all requirements for exercise, payment or delivery of the Award, as applicable, pursuant to its terms, and no adjustment will be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions of other rights for which the record date is prior to the date of issue of the Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company).

(b) Participation not a Guarantee of Service Right. Nothing in the Plan or any instrument executed or Award granted pursuant thereto will confer on any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without Cause; (ii) the service of a Consultant pursuant to the terms of the Consultant's agreement with the Company or an Affiliate; or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(c) Effect of Plan. Neither the adoption of the Plan nor any action of the Board or the Administrator may be deemed to give any Employee, Director or Consultant any right to be granted an Award or any other rights, except as may be evidenced by an Award Agreement or a Service Agreement, or any amendment thereto, duly authorized by the Administrator and executed on behalf of the Company, and then only to the extent and on the terms and conditions expressly set forth in such Award Agreement or Service Agreement. The existence of the Plan and the Awards granted hereunder does not affect in any way the right of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of bonds, debentures, or shares of preferred stock ahead of or affecting the Common Stock or the rights thereof, the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding.

(d) Limits on Transfer.

(i) Each Award will be exercisable during the Participant's lifetime only by the Participant, or, if permissible under applicable law, by the Participant's legal guardian or representative. No Award may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant other than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance will be void and unenforceable against the Company or any Affiliate; provided that the designation of a beneficiary will not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

(ii) Notwithstanding the foregoing, the Administrator may, in its sole discretion, permit a Participant to transfer an Award (other than an Incentive Stock Option) by gift or domestic relations order, without consideration, to a Permitted Transferee, subject to such rules as the Administrator may adopt consistent with any applicable Award Agreement to preserve the purposes of the Plan, on condition that the Participant first gives the Administrator advance written notice describing the terms and conditions of the proposed transfer and the Administrator notifies the Participant in writing that the transfer would comply with the requirements of the Plan. If the Award Agreement does not provide for transferability, then the Award will be transferable and exercisable only as provided in the preceding Section 16(d)(i).

(iii) The terms of an Award transferred in accordance withSection 16(d)(ii) will apply to the Permitted Transferee, and any reference to a Participant in the Plan or in the Award Agreement will refer to the Permitted Transferee, except that (1) the Permitted Transferee will not be entitled to transfer the Award other than by will or the laws of descent and distribution; (2) the Permitted Transferee is not entitled to exercise a transferred Option unless there is in effect a registration statement on an appropriate form covering the Shares to be acquired by the exercise of the Option if the Administrator determines, consistent with the Award Agreement, that a registration statement is necessary or appropriate; (3) neither the Administrator nor the Company is required to provide any notice to a Permitted Transferee, whether or not notice is or would otherwise have been required to be given to the Participant; and (4) the consequences of the termination of the Participant's Continuous Service under the Plan and the Award Agreement will continue to be applied with respect to the Participant, including, without limitation, that an Option will be exercisable by the Permitted Transferee only to the extent, and for such period, specified in the Plan and the Award Agreement.

(e) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Shares subject to the Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Shares. The foregoing requirements, and any assurances given pursuant to those requirements, will be inoperative if (x) the issuance of the Shares on the exercise, grant or vesting of the Award has been registered under a then currently effective registration statement under the Securities Act; or (y) as to any particular requirement, a determination is made by counsel for the Company that that requirement need not be met in the circumstances under the then applicable securities laws. The Company may, on advice of Company counsel, place legends on stock certificates issued under the Plan as such counsel considers necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Shares.

(f) Withholding Obligations. To the extent provided by the terms of an Award Agreement and subject to the discretion of the Administrator, the Participant may satisfy any federal, state or local tax withholding obligation relating to the exercise or acquisition of Shares under an Award by any one or combination of the following means (in addition to the Company's right to withhold from any compensation paid to the Participant by the Company): (i) cash payment; (ii) authorizing the Company to withhold a number of Shares from the Shares otherwise issuable to the Participant as a result of the exercise or acquisition of Shares under the Award, the Fair Market Value of which does not exceed either the maximum statutory tax rates in the Participant's applicable jurisdictions or the amount of tax required to be withheld by law, and in which case the Award will be surrendered and cancelled with respect to the number of Shares retained by the Company (provided that to the extent such direction would result in the Company withholding fractional Shares, the number of Shares to be withheld will be rounded down to the nearest whole and the Participant must pay the remainder of the withholding obligation in cash or by certified or bank check); (iii) delivering to the Company previously owned and unencumbered Shares or (iv) by execution of a recourse promissory note by a Participant. Notwithstanding the foregoing, at any time that the Company is an "issuer" as defined in Section 2 of the Sarbanes-Oxley Act of 2002, no Director or executive officer (or equivalent thereof) of the Company or an Affiliate will be permitted to pay any portion of the tax withholding with respect to any Award with a promissory note or in any other form that could be deemed a prohibited personal loan under Section 13(k) of the Exchange Act. Unless otherwise provided in the terms of an Award Agreement, payment of the tax withholding by a Participant who is an Officer or Director or is otherwise subject to Section 16 of the Exchange Act by delivering previously owned and unencumbered Shares or in the form of share withholding is subject to pre-approval by the Administrator, in its sole discretion. The Administrator shall document any pre-approval in the case of a Participant who is an Officer or Director in a manner that complies with the specificity requirements of Rule 16b-3 under the Exchange Act, including the name of the Participant involved in the transaction, the nature of the transaction, the number of shares to be acquired or disposed of by the Participant and the material terms of the Award involved in the transaction.

(g) Other Compensation Arrangements. Nothing contained in the Plan will prevent the Board, including any authorized committee of the Board, from adopting other or additional compensation arrangements, subject to stockholder approval if stockholder approval is required; and those arrangements may be either generally applicable or applicable only in specific cases.

(h) Recapitalizations. Each Award Agreement will contain provisions required to reflect the provisions of Section 14(a).

(i) Delivery. Upon exercise of a right granted under an Award under the Plan, the Company will issue Shares or pay any amounts due within a reasonable period thereafter. Subject to any statutory or regulatory obligations the Company may otherwise have, for purposes of the Plan, 30 days will be considered a reasonable period.

(j) Government and Other Regulations.

(i) The Company's obligation to settle Awards in Shares or other consideration is subject to all applicable laws, rules and regulations, and to such approvals by governmental agencies as may be required. Notwithstanding any terms or conditions of any Award to the contrary, the Company will be under no obligation to offer to sell or to sell, and is prohibited from offering to sell or selling, any Shares under an Award unless the Shares have been properly registered for sale under the Securities Act or unless the Company has received an opinion of counsel, satisfactory to the Company, that such Shares may be offered or sold without registration pursuant to an available exemption therefrom and the terms and conditions of that exemption and of all applicable state securities laws have been fully complied with. The Company will be under no obligation to register for sale under the Securities Act any of the Shares to be offered or sold under the Plan. The Administrator is authorized to provide that all certificates or book entries for Common Stock or other securities of the Company or any Affiliate delivered under the Plan will be subject to such stop transfer orders and other restrictions as the Administrator may consider advisable under the Plan, the applicable Award Agreement, the federal securities laws, or the rules, regulations and other requirements of the Securities and Exchange Commission, any securities exchange or interdealer quotation system on which the Common Stock or other security is then listed or quoted and any other applicable federal, state, local or non-U.S. laws. Notwithstanding any provision in the Plan to the contrary, the Administrator reserves the right to add any additional terms or provisions to any Award granted under the Plan that it in its sole discretion considers necessary or advisable in order that the Award complies with the legal requirements of any governmental entity to whose jurisdiction the Award is subject.

(ii) The Administrator may cancel an Award or any portion thereof if it determines, in its sole discretion, that legal or contractual restrictions, blockage or other market considerations would make the Company's acquisition of Shares from the public markets, the Company's issuance of Shares to the Participant, the Participant's acquisition of Shares from the Company or the Participant's sale of Shares to the public markets, illegal, impracticable or inadvisable. If the Administrator determines to cancel all or any portion of an Award in accordance with the foregoing, the Company will pay to the Participant an amount equal to the excess of (1) the aggregate Fair Market Value of the Shares subject to the Award or portion thereof canceled (determined as of the applicable exercise date, or the date that the Shares would have been vested or delivered, as applicable), over (2) the aggregate Exercise Price or Grant Price (in the case of an Option or Stock Appreciation Right, respectively) or any amount payable as a condition of delivery of Shares (in the case of any other Award). The amount payable will be delivered to the Participant as soon as practicable following the cancellation of the Award or portion thereof.

(k) Clawback or Recoupment. Notwithstanding any provision in this Plan or any Award Agreement or Service Agreement to the contrary, Awards granted hereunder will be subject, to the extent applicable, (i) to any clawback policy adopted by the Company, and (ii) to the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Sarbanes–Oxley Act of 2002, each as amended, and rules, regulations and binding, published guidance thereunder. If the Company would not be eligible for continued listing, if applicable, under Section 10D(a) of the Exchange Act unless it adopted policies consistent with Section 10D(b) of the Exchange Act, then, in accordance with those policies that are so required, any incentive-based compensation payable to a Participant under this Plan will be subject to clawback in the circumstances, to the extent, and in the manner, required by Section 10D(b)(2) of the Exchange Act, as interpreted by rules of the Securities Exchange Commission. By accepting an Award under this Plan, the Participant consents to any clawback or recoupment described under this Section (k).

(l) Reliance on Reports. Each member of the Administrator and each member of the Board will be fully justified in acting or failing to act, as the case may be, and will not be liable for having so acted or failed to act in good faith, in reliance on any report made by the independent public accountant of the Company and its Affiliates or any other information furnished in connection with the Plan by any agent of the Company or the Administrator or the Board, other than himself or herself.

(m) Foreign Participants. Without amending the Plan, the Administrator may grant Awards to eligible individuals who are foreign nationals on such terms and conditions different from those specified in the Plan as may, in the judgment of the Administrator, be necessary or desirable to foster and promote achievement of the purposes of the Plan and, in furtherance of such purposes, the Administrator may make such modifications, amendments, procedures, sub-plans and the like as may be necessary or advisable to comply with the provisions of laws and regulations in other countries or jurisdictions in which the Company or its Affiliates operate.

(n) Other Provisions. The Award Agreements authorized under the Plan may contain such other provisions not inconsistent with the Plan, including, without limitation, restrictions upon the exercise of the Awards, as the Administrator may consider advisable.

(o) Cancellation and Rescission of Awards for Detrimental Activity.

(i) On exercise, payment or delivery under an Award, the Administrator may require a Participant to certify in a manner acceptable to the Company that the Participant has not engaged in any Detrimental Activity.

(ii) Unless the Award Agreement specifies otherwise, the Administrator may cancel, rescind, suspend, withhold or otherwise limit or restrict any unexpired, unpaid or deferred Awards at any time if the Participant engages in any Detrimental Activity.

(iii) If a Participant engages in Detrimental Activity after any exercise, payment or delivery under an Award, during any period for which any restrictive covenant prohibiting such activity is applicable to the Participant, that exercise, payment or delivery may be rescinded within one year thereafter. In the event of any such rescission, the Participant will be required to pay to the Company the amount of any gain realized or payment received as a result of the exercise, payment or delivery, in such manner and on such terms and conditions as may be required by the Company. The Company will be entitled to set-off against the amount of that gain any amount owed to the Participant by the Company.

(p) Market Standoff. Each Award Agreement will provide that, in connection with any underwritten public offering by the Company of its equity securities, the Participant agrees not to sell, make any short sale of, loan, hypothecate, pledge, grant any option for the repurchase of, transfer the economic consequences of ownership or otherwise dispose or transfer for value or otherwise agree to engage in any of the foregoing transactions with respect to any Common Stock without the prior written consent of the Company or its underwriters, for the period from

and after the effective date of such registration statement as may be requested by the Company or the underwriters (the "Market Standoff"). In order to enforce the Market Standoff, the Company may impose stop-transfer instructions with respect to the Shares acquired under the Plan until the end of the applicable standoff period. If there is any change in the number of outstanding Shares by reason of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification, dissolution or liquidation of the Company, any corporate separation or division (including, but not limited to, a split-up, a split-off or a spin-off), a merger or consolidation; a reverse merger or similar transaction, then any new, substituted or additional securities that are by reason of the transaction distributed with respect to any Shares subject to the Market Standoff or into which the Shares thereby become convertible, will immediately be subject to the Market Standoff.

(q) Unfunded Plan. The Plan is intended to constitute an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award Agreement gives any such Participant any rights that are greater than those of a general creditor of the Company.

17. Effective Date and Term of Plan

(a) Effective Date. The Plan is effective as of the Effective Date, but no Option or Stock Appreciation Right may be exercised, and no other Award may be granted, unless and until the Plan has been approved by the stockholders of the Company.

(b) Stockholder Approval. The Plan will become effective only if, within 12 months from the date of the Plan's adoption by the Board or an authorized committee of the Board, it is approved by the affirmative vote of the Company's stockholders in accordance with the applicable provisions of the Certificate of Incorporation and Bylaws of the Company and applicable state law. The Board may, in its sole discretion, submit any amendment to the Plan for stockholder approval.

(c) Plan Termination or Suspension. Unless otherwise terminated as provided herein, the Plan will continue in effect until, and automatically terminate on, the day before the 10th anniversary of the Effective Date or, if the stockholders approve an amendment to the Plan that increases the Share reserve under the Plan, the day before the 10th anniversary of the date of such stockholder approval. No Award may be granted under the Plan after that date, but Awards theretofore granted may extend beyond that date and will continue to be governed by the terms and conditions of the Plan. The Board or its authorized committee may suspend or terminate the Plan at any earlier date under Section 15(a). No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

18. Governing Law

The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of the Plan, without regard to that state's conflict of law rules.

19. Limitation on Liability

The Company and any Affiliate that is in existence or that hereafter comes into existence will have no liability to any Participant or to any other Person as to (a) the non-issuance or sale of Shares due to the Company's inability to obtain from any regulatory body having jurisdiction the authority considered by Company counsel necessary for the lawful issuance and sale of any Shares hereunder; (b) any tax consequences expected, but not realized, by a Participant or any other Person due to the receipt, exercise or settlement of any Award granted hereunder or (c) the failure of any Award that is determined to be "nonqualified deferred compensation" to comply with Section 409A of the Code and the regulations thereunder.

20. Execution

IN WITNESS WHEREOF, upon authorization of the Compensation Committee of the Board of Directors, the undersigned has executed the Construction Partners, Inc. 2018 Equity Incentive Plan, effective as of the Effective Date.

CONSTRUCTION PARTNERS, INC.

Date: _____

By: _____
Name: _____
Its: _____

Exhibit 10.8

Stock Option Award (#)

FORM OF
CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

STOCK OPTION AWARD CERTIFICATE

THIS IS TO CERTIFY that Construction Partners, Inc., a Delaware corporation (the "Company"), has granted you (the "Participant") an option to purchase shares of the Company's Common Stock under its 2018 Equity Incentive Plan (the "Plan"), as follows:

Participant: _____

Participant's Address: _____

_____

Total Option Shares: _____

Exercise Price per Share: $_____

Type of Option (check one): ☐ Incentive Stock Option ☐ Nonqualified Stock Option

Date of Grant: _____

Expiration Date: _____

Vesting Schedule:

Date	Percentage/Number of Option Shares Vested

By your signature and the signature of the Company's representative below, you and the Company agree to be bound by all of the terms and conditions of the attached Stock Option Award Agreement and the Plan (both incorporated herein by this reference as if set forth in full in this document). By executing this Certificate, you hereby irrevocably elect to accept the Stock Option rights granted under this Certificate and the related Stock Option Award Agreement and to receive the Option to purchase Shares designated above subject to the terms of the Plan, this Certificate and the Stock Option Award Agreement.

PARTICIPANT

_____
Name: _____, an individual

Dated: _____

CONSTRUCTION PARTNERS, INC.

By: _____
Title: _____

Dated: _____

CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

STOCK OPTION AWARD AGREEMENT

This Stock Option Award Agreement (this "Agreement"), is made and entered into on the execution date of the Stock Option Award Certificate to which it is attached (the "Certificate"), by and between Construction Partners, Inc., a Delaware corporation (the "Company"), and the Participant named in the Certificate.

Under the Company's 2018 Equity Incentive Plan (the "Plan"), the Administrator has authorized the grant to the Participant of the Option to purchase Shares (the "Award"), under the terms and subject to the conditions set forth in the Certificate, this Agreement and in the Plan. Capitalized terms not otherwise defined in this Agreement have the meanings ascribed to them in the Plan.

NOW, THEREFORE, in consideration of the premises and the benefits to be derived from the mutual observance of the covenants and promises contained in this Agreement and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Grant of Option. The Company hereby grants to the Participant an Option to purchase the number of Shares (the "Option Shares") set forth in the Certificate as Total Option Shares at the Exercise Price per share set forth in the Certificate, subject to all of the terms and conditions of the Certificate, this Agreement and the Plan. If designated as an Incentive Stock Option in the Certificate, the Option is intended to qualify as an "incentive stock option" (an "ISO") as defined in Section 422(b) of the Code, although the Company makes no representation or guarantee that the Option will qualify as an ISO.

2. Right to Exercise

(a) Vesting. The Award will vest and become exercisable according to the Vesting Schedule set forth in the Certificate. If application of the Vesting Schedule causes a fractional Share to otherwise become exercisable, the share will be rounded down to the nearest whole share for each vesting period except for the last period in the Vesting Schedule, at which time the Award will become exercisable for the full remainder of the Option Shares.

(b) Exercise Period. Unless the Award expires as provided in Section 3, the Award may be exercised after the Date of Grant set forth in the Certificate to the extent the Award has vested. The Award cannot be exercised for fractional Option Shares. The Option Shares issued on exercise of the Award will be subject to the restrictions on transfer set forth in Section 10.

(c) Stockholder Approval. Notwithstanding anything in this Agreement to the contrary, no portion of this Award will be exercisable at any time before the Plan is approved by the Company's stockholders.

3. Expiration. The Award will expire at 12:01 am Eastern Time on the Expiration Date set forth in the Certificate or earlier as provided in Section 4 below.

4. Termination of Continuous Service. The right to exercise the Award is subject to the following terms and conditions.

(a) Forfeiture of Unvested Options. If the Participant's Continuous Service terminates for any reason (including Participant's death or Disability) other than by the Company or an Affiliate for Cause, the unvested portion of the Award will terminate at the close of business on the date of termination.

(b) For Cause. If the Company or an Affiliate terminates the Participant's Continuous Service for Cause, then all of the Participant's rights under this Agreement will expire and the entire Award will terminate, regardless of whether or to what extent vested, as of the beginning of business on the date of the Participant's termination of Continuous Service.

(c) For Any Reason other than Death, Disability or Cause. If the Participant's Continuous Service terminates for any reason other than the Participant's death or Disability or by the Company or an Affiliate for Cause, the Participant may exercise the Award to the extent (and only to the extent) the Award is vested and exercisable at the time of such termination, but only during the period ending on the earlier of (i) the date that is three months following the date of such termination or (ii) the Expiration Date. The Award will immediately terminate at the end of such period and any unexercised Option will cease to be exercisable.

(d) Death or Disability. If the Participant's Continuous Service is terminated by reason of the Participant's death or Disability, or if the Participant dies within three months after the date of termination of the Participant's Continuous Service for any reason other than by the Company or an Affiliate for Cause, the Participant (or his or her legal representative, executor, administrator, heir, or legatee, as the case may be) may exercise the Award to the extent the Award is vested and exercisable at the time of such termination, but only during the period ending on the earlier of (i) the date that is 12 months following the date of such termination or (ii) the Expiration Date. The Award will immediately terminate at the end of such period and any unexercised Option will cease to be exercisable.

(e) Extension of Termination Date. Notwithstanding anything in this Section 4 to the contrary, if the exercise of the Award following the termination of the Participant's Continuous Service for any reason other than the Participant's death or Disability or by the Company or an Affiliate for Cause would violate any applicable federal, state or local law, then the Award will remain exercisable until the earlier of (i) the date that is 30 days after the exercise of the Award would no longer violate any applicable federal, state or local law or (ii) the Expiration Date. The Award will immediately terminate at the end of such period and any unexercised Option will cease to be exercisable.

(f) Effect of Termination of Employment on ISO Status. If permitted by this Agreement, any exercise beyond (i) three months after the date of termination of the Participant's employment with the Company and its "parent corporations" and "subsidiary corporations," as those terms are defined in Code Section 424(e) and (f), respectively, for any reason other than the Participant's death or Disability, or (ii) 12 months after the date of termination of the Participant's employment with the Company and its parent and subsidiary corporations by reason of the Participant's death or Disability, will be treated as an exercise of a Nonqualified Stock Option and not an ISO.

5. Manner of Exercise

(a) Exercise Notice. To exercise this Award, the Participant (or in the case of exercise after the Participant's death or incapacity, the Participant's legal representative, executor, administrator, heir or legatee, as the case may be) must deliver to the Administrator a fully executed stock option exercise notice and agreement in the form attached hereto, or in any other form as approved by the Administrator (the "Exercise Notice"). The Exercise Notice must set forth, inter alia, (i) the Participant's election to exercise the Award; (ii) the number of Option Shares being purchased; (iii) any restrictions imposed on the Option Shares; and (iv) any representations, warranties or agreements regarding the Participant's investment intent and access to information as the Company may require to comply with applicable securities laws. The Award may be exercised by someone other than the Participant only on submission of documentation reasonably acceptable to the Administrator verifying that the Person has the legal right to exercise the Award.

(b) Payment. Unless otherwise permitted and under such terms as are approved by the Administrator in its sole discretion, the entire Exercise Price must be paid in full by cash or check for an amount equal to the aggregate Exercise Price for the number of Option Shares being purchased.

(c) Tax Withholding. As a condition to the exercise of the Award, before the issuance of the Option Shares the Participant must pay or provide for any applicable federal, state, or local tax withholding obligations of the Company. In addition to the Company's right to withhold from any compensation paid to the Participant by the Company, the Participant may provide for payment of withholding taxes in full by cash or check or, if permitted by the Administrator, by one or more of the alternative methods of payment described in the Plan.

(d) Issuance of Option Shares. Subject to the conditions that the Exercise Notice and payment (including applicable tax withholding) are in form and substance satisfactory to the Administrator, the Company will issue the Option Shares registered in the name of the Participant, the Participant's authorized assignee, or Participant's legal representative. The Award will be deemed exercised on the Administrator's receipt of the fully executed Exercise Notice accompanied by required payment. The Company will deliver certificates representing the Option Shares with the appropriate legends affixed thereto. If the Option Shares are not fully vested, the Company may hold the certificates in its custody until vested.

6. Compliance with Laws and Regulations. The exercise of the Award and the issuance and transfer of Option Shares is subject to the Company's and Participant's full compliance, to the satisfaction of the Company and its counsel, with all applicable requirements of federal, state, and foreign securities laws and with all applicable requirements of any securities exchange on which the Common Stock may be listed at the time of issuance or transfer. The Participant understands that the Company is under no obligation to register or qualify the Option Shares with the Securities and Exchange Commission, any state or foreign securities regulatory authority or any securities exchange to effect compliance.

7. Disqualifying Disposition of ISO Shares. If the Award is an ISO and the Participant sells or otherwise disposes of any Option Shares acquired under the Award on or before the later of (a) the second anniversary of the Date of Grant or (b) the first anniversary of the transfer of the Option Shares to the Participant on exercise of the Award, the Participant must immediately notify the Company in writing of the disposition. If any such disposition causes Participant to be subject to income tax withholding by the Company on the income recognized by the Participant, the Participant shall satisfy the withholding obligation by payment in cash or out of the current wages or other compensation payable to the Participant by the Company or any Affiliate.

8. Option Not Transferable. If the Award is an ISO, it may not be transferred in any manner other than by will or by the laws of descent and distribution and may be exercised during the lifetime of the Participant only by the Participant or, in the event of the Participant's incapacity, by the Participant's legal representative. If the Award is a Nonqualified Stock Option, on the Administrator's written approval the Award may be transferred by gift or domestic relations order to a Permitted Transferee in accordance with the Plan.

9. Privileges of Stock Ownership. The Participant will not have any of the rights of a stockholder with respect to any Option Shares unless and until the Option Shares are issued to the Participant.

10. Restrictions on Transfer of Option Shares

(a) Securities Law Restrictions. Regardless of whether the offering and sale of Common Stock under the Plan have been registered under the Securities Act or have been registered or qualified under the securities laws of any state or foreign jurisdiction, the Company at its discretion may impose restrictions on the sale, pledge or other transfer of the Option Shares (including the placement of appropriate legends on stock certificates or the imposition of stop-transfer instructions) if, in the judgment of the Company, such restrictions are necessary or desirable to achieve compliance with the Securities Act, the securities laws of any state or foreign jurisdiction, or any other law.

(b) Consent to Market Standoff. If an underwritten public offering by the Company of its equity securities occurs, the Participant agrees not to sell, make any short sale of, loan, hypothecate, pledge, grant any option for the repurchase of, transfer the economic consequences of ownership, or otherwise dispose or transfer for value or otherwise agree to engage in any of the foregoing transactions with respect to any Option Shares without the prior written consent of the Company or its underwriters, for such period of time from and after the effective date of the registration statement as may be requested by the Company or the underwriters. In order to enforce the Market Standoff, the Company may impose stop-transfer instructions with respect to the Option Shares acquired under this Agreement until the end of the applicable standoff period. If there is any change in the number of outstanding Shares by reason of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification, dissolution or liquidation of the Company, any corporate separation or division (including, but not limited to, a split-up, a split-off, or a spin-off), a merger or consolidation, a reverse merger, or similar transaction, then any new, substituted, or additional securities which are by reason of the transaction distributed with respect to any Option Shares subject to the Market Standoff, or into which the Option Shares thereby become convertible, will immediately be subject to the Market Standoff.

(c) Administration. Any determination by the Administrator and its counsel in connection with any of the matters set forth in this Section 10 will be conclusive and binding on Participant and all other Persons.

11. Repurchase Right. Unvested Option Shares, if any, acquired by the exercise of this Award will be subject to the Company's Repurchase Right under the Plan.

12. No Right to Continued Service. Nothing in this Agreement or the Plan imposes or may be deemed to impose, by implication or otherwise, any limitation on any right of the Company and its Affiliates to terminate the Participant's Continuous Service at any time.

13. General

(a) Interpretation. Any dispute regarding the interpretation of this Agreement must be submitted by the Participant or the Company to the Administrator for review. The resolution of any dispute by the Administrator will be final and binding on the Company and Participant.

(b) Entire Agreement. The Plan and the Certificate are incorporated into this Agreement by reference, and together with this Agreement constitute the entire agreement of the parties and supersede all prior undertakings and agreements with respect to the subject matter hereof. In the event of a conflict or inconsistency between the terms and conditions of this Agreement, the Certificate and the Plan, the Plan will govern.

(c) Notices. Any notice required under this Agreement to be delivered to the Company must be in writing and addressed to the Secretary of the Company at its principal corporate offices. Any notice required to be delivered to the Participant must be in writing and addressed to the Participant at the address indicated on the Certificate or to such other address as Participant designates in writing to the Company. All notices will be deemed to have been delivered: (i) on personal delivery, (ii) five days after deposit in the United States mail by certified or registered mail (return receipt requested), (iii) two business days after deposit with any return receipt express courier (prepaid) or (iv) one business day after transmission by fax.

(d) Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement will be binding on and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement is binding on Participant and Participant's heirs, executors, administrators, legal representatives, successors and assigns.

(e) Governing Law. This Agreement is governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law principles. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, then that provision will be enforced to the maximum extent possible and the other provisions of the Agreement will remain fully effective and enforceable.

14. Receipt and Acceptance. The Participant acknowledges receipt of a copy of the Plan, the Certificate, this Agreement and the prospectus dated [ ], 2018, covering the Shares reserved for issuance under the Plan. The Participant has read and understands the terms of the Plan, the Certificate and this Agreement, and agrees to be bound by their terms and conditions. The Participant acknowledges that there may be adverse tax consequences on exercise of the Award or disposition of the Option Shares and that the Participant should consult a tax advisor before any exercise of the Award or disposition of the Option Shares.

STOCK OPTION EXERCISE NOTICE

☐ Incentive Stock Option

☐ Nonqualified Stock Option

Option Holder: _____

Date: _____

Construction Partners, Inc.
290 Healthwest Drive, Suite 2
Dothan, Alabama 36303
Attention: Chief Financial Officer

1. Option. I was granted an option (the "Option") to purchase shares of the Common Stock (the "Option Shares") of Construction Partners, Inc. (the "Company"), under the Company's 2018 Equity Incentive Plan (the "Plan"), my Certificate of Stock Option Award (the "Certificate") and my Stock Option Award Agreement (the "Award Agreement") as follows:

Award Number: _____

Date of Grant of Award: _____

Number of Option Shares: _____

Exercise Price per Share: $ _____

2. Option Exercise. I hereby elect to exercise the Option to purchase the following number of Option Shares, all of which are vested in accordance with the Certificate and the Award Agreement:

Total Option Shares Purchased: _____

Net Exercise Price: $ _____
(Option Shares Purchased
x Exercise Price per Share)

3. Payments. I enclose payment in full of the Net Exercise Price for the Option Shares in the following form or forms, as authorized by the Award Agreement:

Cash: $ _____
Check: $ _____
Other: Contact Administrator

4. Tax Withholding. As a condition of exercise, I authorize payroll withholding and otherwise will make adequate provision for the federal, state, local and foreign tax withholding obligations of the Company, if any, in connection with my exercise of the Option in one or more of the following forms:

Cash: $ _____
Check: $ _____
Other: Contact Administrator

5. Option Holder Information

My address is: _____

_____

My Social Security Number is: _____

6. No Detrimental Activity. I hereby certify that I am in compliance with the terms and conditions of the Plan and have not engaged in any Detrimental Activity as defined in the Plan.

7. Notice of Disqualifying Disposition. If the Option is an Incentive Stock Option, I agree that I will promptly notify the Secretary of the Company if I transfer any of the Option Shares within one year from the date of exercise or within two years of the Option's Date of Grant.

8. Acknowledgement. I understand and agree that I am purchasing the Option Shares under the terms of the Plan, the Certificate and the Award Agreement, copies of which I have received and read carefully and understand and to all of which I hereby expressly assent. This agreement will inure to the benefit of and be binding on my heirs, executors, administrators, successors and assigns.

Signed,

_____

(Signature)

Receipt of the above is hereby acknowledged.

CONSTRUCTION PARTNERS, INC.

By: _____

Title: _____

Date: _____

FORM OF
CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

RESTRICTED STOCK AWARD CERTIFICATE

THIS IS TO CERTIFY that Construction Partners, Inc., a Delaware corporation (the "Company"), has granted you (the "Participant") the right to receive Shares of Common Stock under its 2018 Equity Incentive Plan (the "Plan"), as follows:

Name of Participant:	_____
Address of Participant:	_____
Number of Shares:	_____
Purchase Price:	$_____
Date of Grant:	_____
Acceptance Expiration Date:	15 days after the Participant's receipt of this Certificate and the accompanying Restricted Stock Award Agreement
Vesting Commencement Date:	_____

Vesting Schedule:	Anniversary of Vesting Commencement Date	Percentage/Number of Shares Vested

By your signature and the signature of the Company's representative below, you and the Company agree to be bound by all of the terms and conditions of the accompanying Restricted Stock Award Agreement and the Plan (each incorporated herein by this reference as if set forth in full in this document). By executing this Certificate, you hereby irrevocably elect to accept the Restricted Stock rights granted under this Certificate and the related Restricted Stock Award Agreement and to receive the shares of Restricted Stock designated above subject to the terms of the Plan, this Certificate and the Award Agreement.

PARTICIPANT	CONSTRUCTION PARTNERS, INC.
_____	By: _____
Name: , an individual	Title: _____
Dated: _____	Dated: _____

CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

RESTRICTED STOCK AWARD AGREEMENT

This Restricted Stock Award Agreement (the "Agreement"), is entered into on the Date of Grant, subject to the Participant's acceptance of the terms of the Agreement evidenced by the Participant's signature on the Restricted Stock Award Certificate accompanying this Agreement (the "Certificate"), by and between Construction Partners, a Delaware corporation (the "Company"), and the Participant named in the Certificate.

Under the Construction Partners, Inc. 2018 Equity Incentive Plan (the "Plan"), the Administrator has authorized the grant to the Participant of the right to receive Shares (the "Award"), under the terms and subject to the conditions set forth in this Agreement and the Plan. Capitalized terms not otherwise defined in the Agreement have the meanings ascribed to them in the Plan.

NOW, THEREFORE, in consideration of the premises and the benefits to be derived from the mutual observance of the covenants and promises contained in this Agreement and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Basis for Award. This Award is granted under the Plan for valid consideration provided to the Company by the Participant. By the Participant's execution of the Certificate, the Participant agrees to accept the Restricted Stock Award rights granted under the Certificate and this Agreement and to receive the shares of Restricted Stock of the Company designated in the Certificate subject to the terms of the Plan, the Certificate and this Agreement.

2. Restricted Stock Award. The Company hereby awards and grants to the Participant, for valid consideration with a value in excess of the aggregate par value of the Common Stock awarded to the Participant, the number of Shares set forth in the Certificate, which are subject to the restrictions and conditions set forth in the Plan, the Certificate and in this Agreement (the "Restricted Shares"). If a stock certificate is issued in respect of the Restricted Shares, the stock certificate will be deposited and held in the custody of the Company for the Participant's account as provided in Section 4 hereof until the Restricted Shares become vested and all restrictions thereon have lapsed. The Participant acknowledges and agrees that the Shares may be issued as a book entry with the Company's transfer agent and that no physical certificates need be issued.

3. Vesting. The Restricted Shares will vest and restrictions on transfer will lapse under the Vesting Schedule set forth in the Certificate, on condition that the Participant is still then in Continuous Service. If the Participant ceases Continuous Service for any reason the Participant will immediately forfeit the Restricted Shares standing in the name of the Participant on the books of the Company that have not vested and as to which restrictions have not lapsed ("Unvested Shares") and such Unvested Shares will be cancelled as outstanding Shares.

(a) Forfeiture of Unvested Shares. If Unvested Shares do not become vested on or before the expiration of the period during which the applicable vesting conditions must occur, such Unvested Shares will be automatically forfeited and cancelled as outstanding Shares immediately on the occurrence of the event or period after which such Unvested Shares may no longer become vested.

(b) Restriction on Transfer of Unvested Shares. The Participant is not permitted to transfer, assign, grant a lien or security interest in, pledge, hypothecate, encumber or otherwise dispose of any of the Unvested Shares, except as permitted by this Agreement.

4. Holding of Unvested Shares. The Company will hold all of the Unvested Shares in its custody until they become vested, at which time such vested Restricted Shares will no longer constitute Unvested Shares. If requested by the Company, the Participant shall execute and deliver to the Company, concurrently with the execution of this Agreement (or, if requested by the Company, from time to time thereafter during the Restricted Period) blank stock powers for use in connection with the transfer to the Company or its designee of Unvested Shares that do not become vested. On the lapse of the forfeiture conditions and non-transferability restrictions thereon the Company will release the Shares that become vested to the Participant.

5. Rights as a Stockholder, Dividends. Subject to the terms of this Agreement, the Participant will have all the rights of a stockholder with respect to the Restricted Shares, including the right to vote the Restricted Shares and to receive any dividends thereon; provided that any dividends paid with respect to Unvested Shares will be held by the Company and will not be paid to the Participant until the Unvested Shares with respect to which the dividends were paid become vested and are no longer subject to forfeiture and restrictions on transfer. If the Unvested Shares to which dividends held by the Company relate are subsequently forfeited, such dividends will automatically be forfeited by the Participant and returned to the Company.

6. Compliance with Laws and Regulations. The issuance and transfer of Common Stock is subject to the Company's and the Participant's full compliance, to the satisfaction of the Company and its counsel, with all applicable requirements of federal, state and foreign securities laws and with all applicable requirements of any securities exchange on which the Common Stock may be listed at the time of such issuance or transfer. The Participant understands that the Company is under no obligation to register or qualify the Shares with the Securities and Exchange Commission, any state securities commission , foreign securities regulatory authority or any securities exchange to effect such compliance.

7. Tax Withholding

(a) As a condition to the release of Shares and lapse of restrictions on transfer, no later than the first to occur of (i) the date as of which all or any of the Restricted Shares vest and the restrictions on their transfer lapse or (ii) the date required by Section 8(b), the Participant must pay to the Company any federal, state or local taxes required by law to be withheld with respect to the Restricted Shares that vest. In addition to the Company's right to withhold from any compensation paid to the Participant by the Company, the Participant may provide for payment of withholding taxes in full by cash or check or, if the Administrator permits, by one or more of the alternative methods of payment set forth in the Plan.

(b) The Participant may elect, within 30 days of the Date of Grant, to include in gross income for federal income tax purposes under Section 83(b) of the Code, an amount equal to the aggregate Fair Market Value on the Date of Grant of the Restricted Shares, less the amount paid, if any, by the Participant (other than in the form of services) for the Restricted Shares). In connection with any such election, the Participant must promptly provide the Company with a copy of the election as filed with the Internal Revenue Service and pay to the Company, or make such other arrangements satisfactory to the Administrator to pay to the Company based on the Fair Market Value of the Restricted Shares on the Date of Grant, any federal, state or local taxes required by law to be withheld with respect to the Restricted Shares at the time of the election. If the Participant fails to make such payments, the Company will have the right to deduct from any payment of any kind otherwise due to Participant, to the extent permitted by law, any federal, state or local taxes required to be withheld with respect to the Restricted Shares.

8. No Right to Continued Service. Nothing in this Agreement or in the Plan imposes or may be deemed to impose, by implication or otherwise, any limitation on any right of the Company or its Affiliates to terminate the Participant's Continuous Service at any time.

9. Representations and Warranties of the Participant. The Participant represents and warrants to the Company as follows:

(a) Acknowledgment and Agreement to Terms of the Plan. The Participant acknowledges receipt of a copy of the Plan, the Certificate, this Agreement and the prospectus dated [ ], 2018 covering the Shares reserved for issuance under the Plan. The Participant has read and understands the terms of the Plan, the Certificate and this Agreement, and agrees to be bound by their terms and conditions. The Participant acknowledges that there may be adverse tax consequences on the vesting of Restricted Shares or disposition of the Shares once vested, and that the Participant should consult a tax advisor before such time.

(b) Stock Ownership. The Participant is the record and beneficial owner of the Restricted Shares with full right and power to transfer the Unvested Shares to the Company free and clear of any liens, claims or encumbrances, and the Participant understands that if a stock certificate is issued in respect of the Restricted Shares, the stock certificate will bear a legend referencing this Agreement.

(c) Rule 144. The Participant understands that Rule 144 under the Securities Act may indefinitely restrict transfer of the Common Stock if the Participant is an "affiliate" of the Company (as defined in Rule 144), or for up to one year if "current public information" about the Company (as defined in Rule 144) is not publicly available regardless of whether the Participant is an affiliate of the Company.

10. Compliance with Securities Laws. The Participant understands and acknowledges that, notwithstanding any other provision of the Agreement to the contrary, the vesting and holding of the Restricted Shares is expressly conditioned on compliance with the Securities Act and all applicable federal, state and foreign securities laws. The Participant agrees to cooperate with the Company to ensure compliance with such laws.

11. Capitalization Adjustments. If, as a result of any capitalization adjustment under the Plan, the Participant becomes entitled to receive additional Shares or other securities ("Additional Securities") in respect of the Unvested Shares, the Additional Securities will be Unvested Shares, and the total number of Unvested Shares will be equal to the sum of (i) the initial Unvested Shares and (ii) the number of Additional Securities issued or issuable in respect of the initial Unvested Shares and any Additional Securities previously issued to the Participant.

12. Restrictive Legends and Stop-Transfer Orders

(a) Legends. If a stock certificate is issued in respect of the Restricted Shares, the Company will place the legend set forth below or similar legends on any such stock certificate, together with any other legends that may be required by federal, state or foreign securities laws, the Company's articles of incorporation or bylaws, any other agreement between the Participant and the Company or any agreement between the Participant and any third party:

> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON PUBLIC RESALE AND TRANSFER, AS SET FORTH IN A RESTRICTED STOCK AWARD AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES. SUCH PUBLIC RESALE AND TRANSFER RESTRICTIONS ARE BINDING ON TRANSFEREES OF THESE SHARES.

The Company will remove the above legend at such time as the Shares in question are no longer subject to restrictions on public resale and transfer under this Agreement. Any legends required by applicable federal, state or foreign securities laws will be removed at such time as such legends are no longer required.

(b) Stop-Transfer Instructions. To ensure compliance with the restrictions imposed by this Agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent, if any, and if the Company transfers its own Common Stock, it may make appropriate notations to the same effect in its own records.

(c) Refusal to Transfer. The Company will not be required (i) to transfer on its books any Restricted Shares that have been sold or otherwise transferred in violation of this Agreement; or (ii) to treat as owner of the Restricted Shares, or to accord the right to vote or pay dividends to, any purchaser or other transferee to whom the Restricted Shares have been transferred.

13. General Terms

(a) Interpretation. Any dispute regarding the interpretation of this Agreement must be submitted by the Participant or the Company to the Administrator for review. The Administrator's resolution of such dispute will be final and binding on the Company and the Participant.

(b) Entire Agreement. The Plan and the Certificate are incorporated in this Agreement by reference, and the Participant hereby acknowledges that a copy of each has been made available to the Participant. This Agreement, the Certificate and the Plan constitute the entire agreement of the parties and supersede all prior undertakings and agreements with respect to the subject matter hereof. In the event of a conflict or inconsistency between the terms and conditions of this Agreement, the Certificate and the Plan, the Plan will govern.

(c) Modification. The Agreement may be modified only in writing signed by both parties.

(d) Notices. Any notice required under this Agreement to be delivered to the Company must be in writing and addressed to the Corporate Secretary of the Company at its principal corporate offices. Any notice required to be given or delivered to the Participant must be in writing and addressed to the Participant at the address indicated on the Certificate or to such other address as the Participant designates in writing to the Company. All notices will be deemed to have been delivered: (i) on personal delivery, (ii) five days after deposit in the United States mail by certified or registered mail (return receipt requested), (iii) two business days after deposit with any return receipt express courier (prepaid) or (iv) one business day after transmission by fax or email.

(e) Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement will be binding on and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein and in the Plan, this Agreement is binding on the Participant and the Participant's heirs, executors, administrators, legal representatives, successors and assigns.

(f) Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law principles. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, then such provision will be enforced to the maximum extent possible and the other provisions will remain fully effective and enforceable.

FORM OF
CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD CERTIFICATE

THIS IS TO CERTIFY that Construction Partners, Inc., a Delaware corporation (the "Company"), has granted you (the "Participant") hypothetical units of Common Stock ("Restricted Stock Units") under the Company's 2018 Equity Incentive Plan (the "Plan"), as follows:

Name of Participant: _____
Address of Participant: _____
_____
Number of Restricted Stock Units: _____
Date of Grant: _____
Vesting Commencement Date: _____
Settlement Date: _____

Vesting Schedule:	Date	Percentage/Number of Vested Shares

By your signature and the signature of the Company's representative below, you and the Company agree to be bound by all of the terms and conditions of the accompanying Restricted Stock Unit Award Agreement and the Plan (both incorporated herein by this reference as if set forth in full in this document). By executing this Certificate, you hereby irrevocably elect to accept the Restricted Stock Unit rights granted under this Certificate and the related Restricted Stock Unit Award Agreement and to receive the Restricted Stock Units designated above subject to the terms of the Plan, this Certificate and the Award Agreement.

PARTICIPANT

_____
Name: , an individual

Dated: _____

CONSTRUCTION PARTNERS, INC.

By: _____
Title: _____

Dated: _____

CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT

This Restricted Stock Unit Award Agreement (the "Agreement"), is entered into on the Date of Grant, subject to the Participant's acceptance of the terms of the Agreement evidenced by the Participant's signature on the Restricted Stock Unit Award Certificate accompanying this Agreement (the "Certificate"), by and between Construction Partners, Inc., a Delaware corporation (the "Company"), and the Participant named in the Certificate.

Under the Construction Partners, Inc. 2018 Equity Incentive Plan (the "Plan"), the Administrator has authorized the grant to the Participant of the number of Restricted Stock Units set forth in the Certificate (the "Award"), under the terms and subject to the conditions set forth in this Agreement, the Certificate and the Plan. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Plan.

NOW, THEREFORE, in consideration of the premises and the benefits to be derived from the mutual observance of the covenants and promises contained in this Agreement and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Basis for Award. This Award is granted under the Plan for valid consideration provided to the Company by the Participant. By the Participant's execution of the Certificate, the Participant agrees to accept the Award rights granted under the Certificate and this Agreement and to receive the Restricted Stock Units designated in the Certificate subject to the terms of the Plan, the Certificate and this Agreement.

2. Restricted Stock Units Awarded. The Company hereby awards and grants to the Participant the number of Restricted Stock Units set forth in the Certificate. Each Restricted Stock Unit represents a right to receive one Share (or the cash equivalent) from the Company, and any Dividend Equivalents (as defined below) credited to the Participant's Restricted Stock Unit Account (as defined below) with respect to that Share, upon vesting of the Restricted Stock Unit as provided in Section 3 below. Vested Restricted Stock Units will be settled as provided in Section 5 below. The Company shall establish and maintain an account (the "Restricted Stock Unit Account") for the Participant and will credit that account for the number of Restricted Stock Units granted to the Participant and for any Dividend Equivalents as provided in Section 4 below. The value of each Restricted Stock Unit on any given date will equal the Fair Market Value of one Share on that date.

3. Vesting. The Restricted Stock Units will vest in accordance with the Vesting Schedule set forth in the Certificate, on condition that the Participant is in Continuous Service on each vesting date. If the Participant ceases Continuous Service for any reason the Participant will immediately forfeit all unvested Restricted Stock Units and any Dividend Equivalents credited to the Restricted Stock Unit Account.

4. [Dividend Equivalents. If the Company pays any cash dividend on its outstanding Common Stock for which the record date occurs after the Date of Grant, the Administrator will credit the Participant's Restricted Stock Unit Account as of the dividend payment date in an amount equal to the amount of the dividend paid by the Company on a single Share multiplied by the number of unvested Restricted Stock Units under this Award as of that record date ("Dividend Equivalents"). Dividend Equivalents will be subject to the vesting requirements of Section 3 of this Agreement. No Dividend Equivalent will vest or be paid to the Participant unless and until the corresponding Restricted Stock Unit vests and is settled.]

5. Settlement. The Company will settle the Restricted Stock Units on the Settlement Date or Dates set forth in the Certificate by issuing to the Participant one Share for each Restricted Stock Unit that has satisfied all vesting requirements on that Settlement Date and cash in the amount of any Dividend Equivalents credited to the Restricted Stock Unit Account with respect to that Share. On settlement, the Restricted Stock Units, and any related Dividend Equivalents, will cease to be credited to the Restricted Stock Unit Account. If the Certificate does not specify a Settlement Date, the applicable Settlement Date will be the applicable vesting date set forth in the Vesting Schedule. Subject to the satisfaction of the withholding provisions in Section 8 below, the Administrator will cause the Shares to be issued to the Participant on the applicable Settlement Date either by an appropriate entry in the books of the Company or of the Company's transfer agent or by delivery of a stock certificate, and will cause cash to be delivered in the amount of any Dividend Equivalents credited to the Restricted Stock Unit Account with respect to such Shares, free of all restrictions hereunder, except for applicable securities laws restrictions, and will enter the Participant's name as stockholder of record with respect to such Shares on the books of the Company. The Participant acknowledges and agrees that Shares may be issued in electronic form as a book entry with the Company's transfer agent and no physical certificates need be issued.

6. Restrictions on Transfer. Until the applicable Settlement Date, the Restricted Stock Units and any related Dividend Equivalents credited to the Restricted Stock Unit Account may not be pledged, hypothecated or transferred in any manner other than by will or by the applicable laws of descent and distribution, or if approved in writing by the Administrator, by gift or domestic relations order to a Permitted Transferee, provided that the Restricted Stock Units and any related Dividend Equivalents credited to the Restricted Stock Unit Account will remain subject to the terms of the Plan, the Certificate and this Agreement.

7. Compliance with Laws and Regulations. The issuance and transfer of Common Stock on any Settlement Date is subject to the Company's and the Participant's full compliance, to the satisfaction of the Company and its counsel, with all applicable requirements of federal, state and foreign securities laws and with all applicable requirements of any securities exchange on which the Common Stock may be listed at the time of issuance or transfer. The Participant understands that the Company is under no obligation to register or qualify the Shares with the Securities and Exchange Commission, any state securities commission, foreign securities regulatory authority or any securities exchange to effect such compliance.

8. Tax Withholding. As a condition to settlement under Section 5, on or before the date on which any of the Restricted Stock Units vest the Participant must pay to the Company any federal, state or local taxes required by law to be withheld with respect to the Restricted Stock Units, and any Dividend Equivalents then credited to the Restricted Stock Unit Account, that vest. In addition to the Company's right to withhold from any compensation paid to the Participant by the Company, including the Participant may provide for payment of withholding taxes in full by cash or check or, if the Administrator permits, by one or more of the alternative methods of payment set forth in the Plan.

9. No Right to Continued Service. Nothing in this Agreement or the Plan is intended to impose or may be deemed to impose, by implication or otherwise, any limitation on any right of the Company or its Affiliates to terminate the Participant's Continuous Service at any time.

10. Representations and Warranties of the Participant. The Participant represents and warrants to the Company as follows:

(a) Acknowledgement and Agreement to Terms of the Plan. The Participant acknowledges receipt of a copy of the Plan, the Certificate, this Agreement and the prospectus dated [ ], 2018 covering the Shares reserved for issuance under the Plan. The Participant has read and understands the terms of the Plan, the Certificate and this Agreement and agrees to be bound by their terms and conditions. The Participant acknowledges that there may be adverse tax consequences on the vesting and settlement of the Restricted Stock Units and any Dividend Equivalents and on disposition of any Shares received on settlement of the Restricted Stock Units, and that the Participant should consult a tax advisor before such time. The Participant agrees to sign such additional documentation as the Company may reasonably require from time to time.

(b) Compliance with Securities Laws. The Participant understands and acknowledges that, notwithstanding any other provision of the Agreement to the contrary, the issuance and holding of Shares is expressly conditioned on compliance with the Securities Act and all applicable federal, state and foreign securities laws. The Participant agrees to cooperate with the Company to ensure compliance with such laws.

11. No Interest in Company Assets. All amounts credited to the Participant's Restricted Stock Unit Account under this Agreement will continue for all purposes to be part of the general assets of the Company. The Participant's interest in the Restricted Stock Unit Account will make the Participant only a general, unsecured creditor of the Company.

12. No Stockholder Rights before Issuance. The Participant will have no right, title or interest in, nor be entitled to vote or to receive distributions in respect of, nor otherwise be considered the owner of, any of the Shares covered by the Restricted Stock Units until the Shares are issued in accordance with Section 5.

13. General Terms

(a) Interpretation. Any dispute regarding the interpretation of this Agreement must be submitted by the Participant or the Company to the Administrator for review. The Administrator's resolution of such dispute will be final and binding on the Company and the Participant.

(b) Entire Agreement. This Agreement, the Certificate and the Plan constitute the entire agreement of the parties and supersede all prior undertakings and agreements with respect to the subject matter hereof. In the event of a conflict or inconsistency between the terms and conditions of this Agreement, the Certificate and the Plan, the Plan will govern.

(c) Modification. This Agreement may be modified only in writing signed by both parties.

(a) Notices. Any notice required under this Agreement to be delivered to the Company must be in writing and addressed to the Corporate Secretary of the Company at its principal corporate offices. Any notice required to be given or delivered to the Participant must be in writing and addressed to the Participant at the address indicated on the Certificate or to such other address as the Participant designates in writing to the Company. All notices will be deemed to have been delivered: (i) on personal delivery, (ii) five days after deposit in the United States mail by certified or registered mail (return receipt requested), (iii) two business days after deposit with any return receipt express courier (prepaid) or (iv) one business day after transmission by fax or email.

(d) Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement will be binding on and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein and in the Plan, this Agreement is binding on the Participant and the Participant's heirs, executors, administrators, legal representatives, successors and assigns.

(e) Governing Law. This Agreement is governed by and to be construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law principles. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, then that provision will be enforced to the maximum extent possible and the other provisions will remain fully effective and enforceable.

Exhibit 10.11

Stock Appreciation Rights Award (#)

FORM OF
CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

STOCK APPRECIATION RIGHTS AWARD CERTIFICATE

THIS IS TO CERTIFY that Construction Partners, Inc., a Delaware corporation (the "Company"), has granted you (the "Participant") the following Stock Appreciation Rights ("Rights") under its 2018 Equity Incentive Plan (the "Plan"), as follows:

Name of Participant: _____

Address of Participant: _____

Number of Shares: _____

Grant Price per Share: $_____

Date of Grant: _____

Expiration Date: _____

Vesting Commencement Date: _____

Vesting Schedule:

Anniversary of Vesting Commencement Date	Percentage/Number of Shares Vested
	%
	%
	%
	%

By your signature and the signature of the Company's representative below, you and the Company agree to be bound by all of the terms and conditions of the accompanying Stock Appreciation Rights Award Agreement and the Plan (both incorporated herein by this reference as if set forth in full in this document). By executing this Certificate, you hereby irrevocably elect to accept the Rights granted under this Certificate and the related Stock Appreciation Rights Award Agreement and to receive the Rights designated above subject to the terms of the Plan, this Certificate and the Stock Appreciation Rights Award Agreement.

PARTICIPANT

_____

Name: , an individual

Dated: _____

CONSTRUCTION PARTNERS, INC.

By: _____

Title: _____

Dated: _____

CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

STOCK APPRECIATION RIGHTS AWARD AGREEMENT

This Stock Appreciation Rights Award Agreement (this "Agreement"), is made and entered into on the execution date of the accompanying Stock Appreciation Rights Award Certificate (the "Certificate"), by and between Construction Partners, Inc., a Delaware corporation (the "Company"), and the Participant named in the Certificate.

Under the Company's 2018 Equity Incentive Plan (the "Plan"), the Administrator has authorized the grant to the Participant of the Stock Appreciation Rights under the terms and subject to the conditions set forth in the Certificate, this Agreement and in the Plan. Capitalized terms not otherwise defined in this Agreement have the meanings ascribed to them in the Plan.

NOW, THEREFORE, in consideration of the premises and the benefits to be derived from the mutual observance of the covenants and promises contained herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Grant of Award. The Company hereby grants to the Participant, as of the Date of Grant, the Rights for the Number of Shares specified in the Certificate. The Rights will be exercisable at the Grant Price from time to time on or before the Expiration Date specified in the Certificate, subject to all of the terms and conditions of the Certificate, this Agreement and the Plan.

2. Right to Exercise

(a) Vesting. The Award will vest and become exercisable according to the Vesting Schedule set forth in the Certificate.

(b) Exercise Period. Unless the Award expires as provided in Section 3, the Award may be exercised after the Date of Grant to the extent the Award has vested. The Award cannot be exercised for fractional Shares.

(c) Stockholder Approval. Notwithstanding anything in this Agreement to the contrary, no portion of the Award will be exercisable at any time before the Plan is approved by the Company's stockholders.

3. Expiration. The Award will expire at 12:01 am Eastern Time on the Expiration Date set forth in the Certificate or earlier as provided in Section 4 below.

4. Termination of Continuous Service. The right to exercise the Award is subject to the following terms and conditions.

(a) Forfeiture of Unvested Rights. If the Participant's Continuous Service is terminated for any reason (including Participant's death or Disability) other than for Cause, the unvested portion of the Award will terminate at the close of business on the date of termination of Continuous Service.

(b) For Any Reason other than Death, Disability or Cause If the Participant's Continuous Service is terminated for any reason other than the Participant's death or Disability or by the Company for Cause, the Participant may exercise the Award to the extent (and only to the extent) the Award is vested and exercisable at the time of such termination, but only during the period ending on the earlier of (i) the date three months following the termination of the Participant's Continuous Service or (ii) the Expiration Date, at the end of which period the Award will immediately terminate and the unexercised Rights will cease to be exercisable.

(c) Death or Disability. If the Participant's Continuous Service is terminated by reason of the Participant's death or Disability (or if the Participant dies within three months after the date of termination of the Participant's Continuous Service for any reason other than for Cause), the Participant (or his or her legal representative, executor, administrator, heir, or legatee, as the case may be) may exercise the Award to the extent the Award is vested and exercisable at the time of such termination, but only during the period ending on the earlier of (i) the date 12 months following the termination of the Participant's Continuous Service or (ii) the Expiration Date, at the end of which period the Award will immediately terminate and the unexercised Rights will cease to be exercisable.

(d) For Cause. If the Company, including any Affiliate, terminates the Participant's Continuous Service for Cause, then all of the Participant's rights under this Agreement will expire and the entire Award will terminate, regardless of whether or to what extent vested, as of the beginning of business on the date of termination of the Participant's Continuous Service.

(e) Extension of Termination Date. Notwithstanding anything in this Agreement to the contrary, if the exercise of the Award following the termination of the Participant's Continuous Service for any reason other than the Participant's death or Disability or by the Company for Cause would violate any applicable federal, state or local law, then the Award will remain exercisable until the earlier of (i) the date that is 30 days after the exercise of the Award would no longer violate any applicable federal, state or local law or (ii) the Expiration Date, at the end of which period the Award will immediately terminate and the unexercised Rights will cease to be exercisable.

5. Manner of Exercise

(a) Exercise Notice. To exercise the Award, the Participant (or in the case of exercise after the Participant's death or incapacity, the Participant's legal representative, executor, administrator, heir or legatee, as the case may be) must deliver to the Administrator a fully executed exercise notice and agreement in the form attached hereto, or in any other form as approved by the Administrator (the "Exercise Notice"). The Exercise Notice must set forth, inter alia, (i) the Participant's election to exercise the Award; (ii) the number of Shares with respect to which the Award is being exercised; (iii) any restrictions imposed on the Shares; and (iv) any representations, warranties or agreements regarding the Participant's investment intent and access to information as the Company may require to comply with applicable securities laws. The Award may be exercised by someone other than the Participant on submission of documentation reasonably acceptable to the Administrator verifying that the Person has the legal right to exercise the Award. Notwithstanding anything herein to the contrary, to the extent the Award has not been exercised as of the Exercise Date and has not been terminated under Section 4, the unexercised Rights will automatically be exercised on the Expiration Date and paid in accordance with Section 5(b).

(b) Payment. On delivery to the Administrator of a signed Exercise Notice, the Company will pay the Participant the Appreciation Value of the Rights being exercised. The "Appreciation Value" is equal to the product of the number of Shares for which the Award is exercised multiplied by the difference between the Fair Market Value per Share on the exercise date and the Grant Price. The Appreciation Value will be divided by the Fair Market Value per Share on the exercise date to determine the number of whole Shares to be distributed. Any fractional Share will be paid in cash. Any Shares issued on exercise of the Award will be subject to the restrictions on transfer set forth in Section 9.

(c) Tax Withholding. As a condition to the exercise of the Award, before the issuance of Shares the Participant must pay or provide for any applicable federal, state, or local tax withholding obligations of the Company that may arise in connection with the payment of the Appreciation Value. In addition to the Company's right to withhold from any compensation paid to the Participant by the Company, including any portion of the Appreciation Value that is paid in cash, the Participant may provide for payment of withholding taxes in full by cash or check or, if permitted by the Administrator, by one or more of the alternative methods of payment described in the Plan.

(d) Issuance of Shares. Subject to the Exercise Notice and withholding payment being in form and substance satisfactory to the Administrator, the Administrator will cause the issuance of Shares to the Participant, subject to any applicable federal securities laws restrictions, and will enter the Participant's name as stockholder of record with respect to the Shares on the books of the Company. Participant acknowledges and agrees that Shares may be issued in electronic form as a book entry with the Company's transfer agent and that no physical certificates need be issued.

6. Compliance with Laws and Regulations. The exercise of the Award and the issuance and transfer of Shares is subject to the Company's and Participant's full compliance, to the satisfaction of the Company and its counsel, with all applicable requirements of federal, state, local and foreign tax and securities laws and with all applicable requirements of any securities exchange on which the Shares may be listed at the time of issuance or transfer. The Participant understands that the Company is under no obligation to register or qualify any Shares with the Securities and Exchange Commission, any state or foreign securities regulatory authority or any securities exchange to effect compliance.

7. Limitations on Transfer. Except as the Administrator may otherwise authorize in writing in accordance with the Plan and in its sole discretion, the Award may not be transferred in any manner other than by will or by the laws of descent and distribution and may be exercised during the lifetime of the Participant only by the Participant or, in the event of the Participant's incapacity, by the Participant's legal representative. The terms of the Award shall be binding upon the executors, administrators, successors and assigns of Participant.

8. Privileges of Stock Ownership. The Participant will have none of the rights of a stockholder with respect to any Shares underlying the Award unless and until the Shares are issued to the Participant.

9. Restrictions on Transfer of Shares

(a) Securities Law Restrictions. Regardless of whether the offering and sale of Shares under the Plan have been registered under the Securities Act or have been registered or qualified under the securities laws of any state or foreign jurisdiction, the Company at its discretion may impose restrictions on the sale, pledge or other transfer of Shares (including the placement of appropriate legends on stock certificates or the imposition of stop-transfer instructions) if, in the judgment of the Company, such restrictions are necessary or desirable to achieve compliance with the Securities Act, the securities laws of any state or foreign jurisdiction, or any other law.

(b) Consent to Market Standoff. If an underwritten public offering by the Company of its equity securities occurs, the Participant agrees not to sell, make any short sale of, loan, hypothecate, pledge, grant any option for the repurchase of, transfer the economic consequences of ownership, or otherwise dispose or transfer for value or otherwise agree to engage in any of the foregoing transactions with respect to any Shares acquired under this Agreement without the prior written consent of the Company or its underwriters, for such period of time from and after the effective date of the registration statement as may be requested by the Company or the underwriters. In order to enforce the Market Standoff, the Company may impose stop-transfer instructions with respect to the Shares acquired under this Agreement until the end of the applicable standoff period. If there is any change in the number of outstanding Shares by reason of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification, dissolution or liquidation of the Company, any corporate separation or division (including, but not limited to, a split-up, a split-off, or a spin-off), a merger or consolidation, a reverse merger, or similar transaction, then any new, substituted, or additional securities which are by reason of the transaction distributed with respect to any Shares subject to the Market Standoff, or into which the Shares thereby become convertible, will immediately be subject to the Market Standoff.

(c) Determinations of Administrator. Any determination by the Administrator and its counsel in connection with any of the matters set forth in this Section 9 will be conclusive and binding on Participant and all other Persons.

10. No Right to Continued Service. Nothing in this Agreement or the Plan imposes or may be deemed to impose, by implication or otherwise, any limitation on any right of the Company and its Affiliates to terminate Participant's Continuous Service at any time.

11. General

(a) Interpretation. Any dispute regarding the interpretation of this Agreement must be submitted by the Participant or the Company to the Administrator for review. The resolution of any dispute by the Administrator will be final and binding on the Company and Participant.

(b) Entire Agreement. Each of the Plan and the Certificate are incorporated into this Agreement by reference, and together with this Agreement constitute the entire agreement of the parties and supersede all prior undertakings and agreements with respect to the subject matter hereof. In the event of a conflict or inconsistency between the terms and conditions of this Agreement, the Certificate and the Plan, the Plan will govern.

(c) Notices. Any notice required under this Agreement to be delivered to the Company must be in writing and addressed to the Secretary of the Company at its principal corporate offices. Any notice required to be delivered to the Participant must be in writing and addressed to the Participant at the address indicated on the Certificate or to such other address as the Participant designates in writing to the Company. All notices will be deemed to have been delivered: (i) on personal delivery, (ii) five days after deposit in the United States mail by certified or registered mail (return receipt requested), (iii) two business days after deposit with any return receipt express courier (prepaid) or (iv) one business day after transmission by fax or email.

(d) Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement will be binding on and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement is binding on Participant and Participant's heirs, executors, administrators, legal representatives, successors and assigns.

(e) Governing Law. This Agreement is governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law principles. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, then that provision will be enforced to the maximum extent possible and the other provisions of the Agreement will remain fully effective and enforceable.

12. Receipt and Acceptance. The Participant acknowledges receipt of a copy of the Plan, the Certificate, this Agreement and the prospectus dated [ ], 2018 covering the Shares reserved under the Plan. The Participant has read and understands the terms of the Plan, the Certificate and this Agreement, and agrees to be bound by their terms and conditions. The Participant acknowledges that there may be adverse tax consequences on exercise of the Award and that the Participant should consult a tax advisor before exercising the Award.

STOCK APPRECIATION RIGHTS EXERCISE NOTICE AND AGREEMENT

Participant: _____

Date: _____

Construction Partners, Inc.
290 Healthwest Drive, Suite 2
Dothan, Alabama 36303
Attention: Chief Financial Officer

1. Stock Appreciation Rights. I was granted Stock Appreciation Rights (the "Rights") with respect to shares of the common stock (the "Shares") of Construction Partners, Inc. (the "Company") under the Company's 2018 Equity Incentive Plan (the "Plan"), my Stock Appreciation Rights Award Certificate (the "Certificate") and my Stock Appreciation Rights Agreement (the "Award Agreement") as follows:

Award Number: _____

Date of Grant of Award: _____

Number of Shares: _____

Grant Price per Share: $ _____

2. Exercise of Rights. I hereby elect to exercise the Rights to receive the Appreciation Value attributable to the number of Shares indicated below, all of which are vested in accordance with the Certificate and the Award Agreement:

Number of Shares Exercised: _____

3. Tax Withholding. As a condition of exercise, I authorize payroll withholding and otherwise will make adequate provision for the federal, state, local and foreign tax withholding obligations of the Company, if any, in connection with my exercise of the Rights.

4. Award Holder Information

My address is: _____
_____

My Social Security Number is: _____

5. No Detrimental Activity. I hereby certify that I am in compliance with the terms and conditions of the Plan and have not engaged in any Detrimental Activity as defined in the Plan.

6. Acknowledgement. I acknowledge that I am entitled to the Appreciation Value of the number of Rights with respect to which I am exercising the Award, and that upon the exercise of the same, I will not be entitled to any future Appreciation Value with respect to those Rights. I understand that I am exercising my Rights pursuant to the terms of the Plan, the Certificate and my Award Agreement, copies of which I have received and carefully read and understand, and to all of which I expressly assent. This agreement will inure to the benefit of and be binding on my heirs, executors, administrators, successors and assigns.

Signed,

_____

(Signature)

Receipt of the above is hereby acknowledged.

CONSTRUCTION PARTNERS, INC.

By: _____
Title: _____
Date: _____

Exhibit 10.12

Stock Appreciation Rights Award (#)

FORM OF
CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

STOCK APPRECIATION RIGHTS AWARD CERTIFICATE

THIS IS TO CERTIFY that Construction Partners, Inc., a Delaware corporation (the "Company"), has granted you (the "Participant") the following Stock Appreciation Rights ("Rights") under its 2018 Equity Incentive Plan (the "Plan"), as follows:

Name of Participant: _____

Address of Participant: _____

Number of Shares: _____

Grant Price per Share: $_____

Date of Grant: _____

Expiration Date: _____

Vesting Commencement Date: _____

Vesting Schedule:

Anniversary of Vesting Commencement Date	Percentage/Number of Shares Vested
	%
	%
	%
	%

By your signature and the signature of the Company's representative below, you and the Company agree to be bound by all of the terms and conditions of the accompanying Stock Appreciation Rights Award Agreement and the Plan (both incorporated herein by this reference as if set forth in full in this document). By executing this Certificate, you hereby irrevocably elect to accept the Rights granted under this Certificate and the related Stock Appreciation Rights Award Agreement and to receive the Rights designated above subject to the terms of the Plan, this Certificate and the Stock Appreciation Rights Award Agreement.

PARTICIPANT

_____

Name: , an individual

Dated: _____

CONSTRUCTION PARTNERS, INC.

By: _____

Title: _____

Dated: _____

CONSTRUCTION PARTNERS, INC.
2018 EQUITY INCENTIVE PLAN

STOCK APPRECIATION RIGHTS AWARD AGREEMENT

This Stock Appreciation Rights Award Agreement (this "Agreement"), is made and entered into on the execution date of the accompanying Stock Appreciation Rights Award Certificate (the "Certificate"), by and between Construction Partners, Inc., a Delaware corporation (the "Company"), and the Participant named in the Certificate.

Under the Company's 2018 Equity Incentive Plan (the "Plan"), the Administrator has authorized the grant to the Participant of the Stock Appreciation Rights under the terms and subject to the conditions set forth in the Certificate, this Agreement and in the Plan. Capitalized terms not otherwise defined in this Agreement have the meanings ascribed to them in the Plan.

NOW, THEREFORE, in consideration of the premises and the benefits to be derived from the mutual observance of the covenants and promises contained herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Grant of Award. The Company hereby grants to the Participant, as of the Date of Grant, the Rights for the Number of Shares specified in the Certificate. The Rights will be exercisable at the Grant Price from time to time on or before the Expiration Date specified in the Certificate, subject to all of the terms and conditions of the Certificate, this Agreement and the Plan.

2. Right to Exercise

(a) Vesting. The Award will vest and become exercisable according to the Vesting Schedule set forth in the Certificate.

(b) Exercise Period. Unless the Award expires as provided in Section 3, the Award may be exercised after the Date of Grant to the extent the Award has vested. The Award cannot be exercised for fractional Shares.

(c) Stockholder Approval. Notwithstanding anything in this Agreement to the contrary, no portion of the Award will be exercisable at any time before the Plan is approved by the Company's stockholders.

3. Expiration. The Award will expire at 12:01 am Eastern Time on the Expiration Date set forth in the Certificate or earlier as provided in Section 4 below.

4. Termination of Continuous Service. The right to exercise the Award is subject to the following terms and conditions.

(a) Forfeiture of Unvested Rights. If the Participant's Continuous Service is terminated for any reason (including Participant's death or Disability) other than for Cause, the unvested portion of the Award will terminate at the close of business on the date of termination of Continuous Service.

(b) For Any Reason other than Death, Disability or Cause If the Participant's Continuous Service is terminated for any reason other than the Participant's death or Disability or by the Company for Cause, the Participant may exercise the Award to the extent (and only to the extent) the Award is vested and exercisable at the time of such termination, but only during the period ending on the earlier of (i) the date three months following the termination of the Participant's Continuous Service or (ii) the Expiration Date, at the end of which period the Award will immediately terminate and the unexercised Rights will cease to be exercisable.

(c) Death or Disability. If the Participant's Continuous Service is terminated by reason of the Participant's death or Disability (or if the Participant dies within three months after the date of termination of the Participant's Continuous Service for any reason other than for Cause), the Participant (or his or her legal representative, executor, administrator, heir, or legatee, as the case may be) may exercise the Award to the extent the Award is vested and exercisable at the time of such termination, but only during the period ending on the earlier of (i) the date 12 months following the termination of the Participant's Continuous Service or (ii) the Expiration Date, at the end of which period the Award will immediately terminate and the unexercised Rights will cease to be exercisable.

(d) For Cause. If the Company, including any Affiliate, terminates the Participant's Continuous Service for Cause, then all of the Participant's rights under this Agreement will expire and the entire Award will terminate, regardless of whether or to what extent vested, as of the beginning of business on the date of termination of the Participant's Continuous Service.

(e) Extension of Termination Date. Notwithstanding anything in this Agreement to the contrary, if the exercise of the Award following the termination of the Participant's Continuous Service for any reason other than the Participant's death or Disability or by the Company for Cause would violate any applicable federal, state or local law, then the Award will remain exercisable until the earlier of (i) the date that is 30 days after the exercise of the Award would no longer violate any applicable federal, state or local law or (ii) the Expiration Date, at the end of which period the Award will immediately terminate and the unexercised Rights will cease to be exercisable.

5. Manner of Exercise

(a) Exercise Notice. To exercise the Award, the Participant (or in the case of exercise after the Participant's death or incapacity, the Participant's legal representative, executor, administrator, heir or legatee, as the case may be) must deliver to the Administrator a fully executed exercise notice and agreement in the form attached hereto, or in any other form as approved by the Administrator (the "Exercise Notice"). The Exercise Notice must set forth, inter alia, (i) the Participant's election to exercise the Award; (ii) the number of Shares with respect to which the Award is being exercised; (iii) any restrictions imposed on the Shares; and (iv) any representations, warranties or agreements regarding the Participant's investment intent and access to information as the Company may require to comply with applicable securities laws. The Award may be exercised by someone other than the Participant on submission of documentation reasonably acceptable to the Administrator verifying that the Person has the legal right to exercise the Award. Notwithstanding anything herein to the contrary, to the extent the Award has not been exercised as of the Exercise Date and has not been terminated under Section 4, the unexercised Rights will automatically be exercised on the Expiration Date and paid in accordance with Section 5(b).

(b) Payment. On delivery to the Administrator of a signed Exercise Notice, the Company will pay the Participant the Appreciation Value of the Rights being exercised. The "Appreciation Value" is equal to the product of the number of Shares for which the Award is exercised multiplied by the difference between the Fair Market Value per Share on the exercise date and the Grant Price.

(c) Tax Withholding. As a condition to the exercise of the Award, before the issuance of Shares the Participant must pay or provide for any applicable federal, state, or local tax withholding obligations of the Company that may arise in connection with the payment of the Appreciation Value. In addition to the Company's right to withhold from any compensation paid to the Participant by the Company, including any portion of the Appreciation Value that is paid in cash, the Participant may provide for payment of withholding taxes in full by cash or check or, if permitted by the Administrator, by one or more of the alternative methods of payment described in the Plan.

6. Compliance with Laws and Regulations. The exercise of the Award and the payment of the Appreciation Value in cash is subject to the Company's and Participant's full compliance, to the satisfaction of the Company and its counsel, with all applicable requirements of federal, state, local and foreign tax and securities laws and with all applicable requirements of any securities exchange on which the Shares may be listed at the time of issuance or transfer. The Participant understands that the Appreciation Value will be paid in cash and the Company is under no obligation to issue Shares on exercise of the Award.

7. Limitations on Transfer. Except as the Administrator may otherwise authorize in writing in accordance with the Plan and in its sole discretion, the Award may not be transferred in any manner other than by will or by the laws of descent and distribution and may be exercised during the lifetime of the Participant only by the Participant or, in the event of the Participant's incapacity, by the Participant's legal representative. The terms of the Award shall be binding upon the executors, administrators, successors and assigns of Participant.

8. Privileges of Stock Ownership. The Participant will have none of the rights of a stockholder with respect to any Shares underlying the Award.

9. No Right to Continued Service. Nothing in this Agreement or the Plan imposes or may be deemed to impose, by implication or otherwise, any limitation on any right of the Company and its Affiliates to terminate Participant's Continuous Service at any time.

10. General

(a) Interpretation. Any dispute regarding the interpretation of this Agreement must be submitted by the Participant or the Company to the Administrator for review. The resolution of any dispute by the Administrator will be final and binding on the Company and Participant.

(b) Entire Agreement. Each of the Plan and the Certificate are incorporated into this Agreement by reference, and together with this Agreement constitute the entire agreement of the parties and supersede all prior undertakings and agreements with respect to the subject matter hereof. In the event of a conflict or inconsistency between the terms and conditions of this Agreement, the Certificate and the Plan, the Plan will govern.

(c) Notices. Any notice required under this Agreement to be delivered to the Company must be in writing and addressed to the Secretary of the Company at its principal corporate offices. Any notice required to be delivered to the Participant must be in writing and addressed to the Participant at the address indicated on the Certificate or to such other address as the Participant designates in writing to the Company. All notices will be deemed to have been delivered: (i) on personal delivery, (ii) five days after deposit in the United States mail by certified or registered mail (return receipt requested), (iii) two business days after deposit with any return receipt express courier (prepaid) or (iv) one business day after transmission by fax or email.

(d) Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement will be binding on and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement is binding on Participant and Participant's heirs, executors, administrators, legal representatives, successors and assigns.

(e) Governing Law. This Agreement is governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law principles. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, then that provision will be enforced to the maximum extent possible and the other provisions of the Agreement will remain fully effective and enforceable.

11. Receipt and Acceptance. The Participant acknowledges receipt of a copy of the Plan, the Certificate, this Agreement and the prospectus dated [ ], 2018 covering the Shares reserved under the Plan. The Participant has read and understands the terms of the Plan, the Certificate and this Agreement, and agrees to be bound by their terms and conditions. The Participant acknowledges that there may be adverse tax consequences on exercise of the Award and that the Participant should consult a tax advisor before exercising the Award.

STOCK APPRECIATION RIGHTS EXERCISE NOTICE AND AGREEMENT

Participant:_____

Date:_____

Construction Partners, Inc.
290 Healthwest Drive, Suite 2
Dothan, Alabama 36303
Attention: Chief Financial Officer

1. Stock Appreciation Rights. I was granted Stock Appreciation Rights (the "Rights") with respect to shares of the common stock (the "Shares") of Construction Partners, Inc. (the "Company") under the Company's 2018 Equity Incentive Plan (the "Plan"), my Stock Appreciation Rights Award Certificate (the "Certificate") and my Stock Appreciation Rights Agreement (the "Award Agreement") as follows:

Award Number: _____

Date of Grant of Award: _____

Number of Shares: _____

Grant Price per Share: $_____

2. Exercise of Rights. I hereby elect to exercise the Rights to receive the Appreciation Value attributable to the number of Shares indicated below, all of which are vested in accordance with the Certificate and the Award Agreement:

Number of Shares Exercised: _____

I understand that the Appreciation Value attributable to the number of Shares being exercised will be paid in the form of cash only.

3. Tax Withholding. As a condition of exercise, I authorize payroll withholding and otherwise will make adequate provision for the federal, state, local and foreign tax withholding obligations of the Company, if any, in connection with my exercise of the Rights.

4. Award Holder Information

My address is: _____

_____

My Social Security Number is:_____

5. No Detrimental Activity. I hereby certify that I am in compliance with the terms and conditions of the Plan and have not engaged in any Detrimental Activity as defined in the Plan.

6. Acknowledgement. I acknowledge that I am entitled to the Appreciation Value of the number of Rights with respect to which I am exercising the Award, and that upon the exercise of the same, I will not be entitled to any future Appreciation Value with respect to those Rights. I understand that I am exercising my Rights pursuant to the terms of the Plan, the Certificate and my Award Agreement, copies of which I have received and carefully read and understand, and to all of which I expressly assent. This agreement will inure to the benefit of and be binding on my heirs, executors, administrators, successors and assigns.

Signed,

_____

(Signature)

Receipt of the above is hereby acknowledged.

CONSTRUCTION PARTNERS, INC.

By: _____
Title: _____
Date: _____

Exhibit 10.13

MANAGEMENT SERVICES AGREEMENT

This **MANAGEMENT SERVICES AGREEMENT** (this "Agreement") is made and effective as of October 1, 2006 (the "Effective Date") between Construction Partners, Inc., a Delaware corporation (the "Company") and SunTx Capital Management Corp. ("SunTx"). This Agreement supersedes any previously executed agreement between the parties hereto concerning the provision of Services (as defined below).

WHEREAS, SunTx is willing to provide certain management services to the Company, and the Company desires to retain SunTx to provide such management services to the Company.

NOW, THEREFORE, in consideration of the mutual agreements set forth below, the parties hereto agree as follows:

1. **Services.** SunTx shall furnish the following management services (the "Services") to the Company:

(a) advice and administrative support in the review, development and execution of the Company's business strategies and policies, including growth and acquisition opportunities;

(b) advice and administrative support in the management of the Company's credit facilities and other major contractual relationships;

(c) assistance with financial modeling, annual budgeting, and forecasting;

(d) review of industry trends and major developments; and

(e) analysis of best industry practice in business promotion, business development and employee and customer relations.

2. **Management Fees.** (a) In consideration for the provision of the Services, the Company shall pay to SunTx a fee equal to $50,000 per month (the "Management Fee"). The Management Fee shall be payable to SunTx in arrears in equal quarterly or semi-annual installments, at the Company's election, on the last day of each installment period. SunTx and the Company will review the Management Fees and Services on an annual basis and, concurrent with such review, SunTx may increase the Management Fee by an amount equal to the All Items inflation rate according to the CPI-U U.S. for the trailing twelve months on each successive anniversary of the Effective Date, subject to the approval of a majority of the Company's Board of Directors other than Directors who are employees of SunTx.

(b) In addition to the Management Fee, in connection with any future acquisitions, dispositions or debt or equity financings by the Company or any of its affiliates, the Company, subject to the approval of the Board of Directors of the Company, will pay SunTx a fee which shall not exceed an amount equal to 2% of the total enterprise value involved in such transaction (the "Equity Fee"). However, SunTx at its sole discretion, may waive the Equity Fee, without impacting the right to future Equity Fees or other terms of this Agreement. For purposes of this Section 2(b), "total enterprise value" shall be determined by the Board of Directors of the Company in good faith.

(c) The Company may from time to time or for an extended period solicit the direct assistance of certain employees of SunTx ("Management Employees") to provide duties and Services for the benefit of the Company, its shareholders, or the Company's Board of Directors. In consideration for such direct assistance, the Company will directly compensate the respective Management Employees based upon market rates commensurate with such Management Employees' experience level. Such consideration will be subject to the approval of the Company's Board of Directors. Any consideration received will be subject to applicable state and federal income taxes, however, will exclude any other employer benefits offered by the Company (including health insurance and participation in any Company 401K plan).

(d) The Company will also reimburse SunTx for all payroll costs ofin-house legal counsel, travel expenses and other out-of-pocket expenses and disbursements incurred by SunTx related to the Services and will pay all local, state and federal taxes resulting from its purchase or use of the Services.

3. **Term.** The term of this Agreement shall expire on October 1, 2013; provided, however, that SunTx may terminate its obligations to provide the Services upon 60 days' prior written notice to the Company.

4. **Assignment.** This Agreement and any rights and obligations hereunder shall not be assignable or transferable by SunTx, other than to an affiliate of SunTx, without the prior written consent of the Company, or by the Company to any other person or entity at any time.

5. **Indemnification.** The Company shall indemnify and hold harmless SunTx, their affiliates, Management Employees, and their respective directors, officers, controlling persons (within the meaning of Section 15 of the Securities Act of 1933 or Section 20(a) of the Securities Exchange Act of 1934), if any, agents and employees (SunTx, their affiliates, Management Employees and such other specified persons being collectively referred to as "Indemnified Persons" and individually as an "Indemnified Person") from and against any and all claims, liabilities, losses, damages and expenses incurred by any Indemnified Person (including those arising out of an Indemnified Person's negligence and fees and disbursements of the respective Indemnified Person's counsel) which (A) are related to or arise out of (i) actions taken or omitted to be taken (including any untrue statements made or any statements omitted to be made) by the Company or (ii) actions taken or omitted to be taken by an Indemnified Person with the Company's consent or in conformity with the Company's instructions or the Company's actions or omissions or (B) are otherwise related to or arise out of SunTx's engagement hereunder, and will reimburse each Indemnified Person for all costs, expenses, including

fees of any Indemnified Person's counsel, as they are incurred, in connection with investigating, preparing for, defending, or appealing any action, formal or informal claim, investigation, inquiry or other proceeding, whether or not in connection with pending or threatened litigation, caused by or arising out of or in connection with SunTx's acting pursuant to its engagement hereunder, whether or not any Indemnified Person is named as a party thereto and whether or not any liability results therefrom. The Company, however, will not be responsible for any claims, liabilities, losses, damages or expenses pursuant to clause (B) of the proceeding sentence that have resulted primarily from the bad faith, gross negligence or willful misconduct of SunTx. The Company also agrees that neither SunTx nor any other Indemnified Person shall have any liability to the Company for or in connection with SunTx's engagement hereunder, except for any such liability for claims, liabilities, losses, damages, or expenses incurred by the Company that have resulted primarily from SunTx's own bad faith, gross negligence or willful misconduct. The Company further agrees that they will not, without the prior written consent of SunTx, settle or compromise or consent to the entry of any judgment in a any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought hereunder (whether or not any Indemnified Person is an actual or potential party to such claim, action, suit, or proceeding) unless such settlement, compromise or consent includes an unconditional release of SunTx and each other Indemnified Person hereunder from all liability arising out of such claim, action, suit or proceeding. **THE COMPANY HEREBY ACKNOWLEDGES THAT THE FOREGOING INDEMNITY SHALL BE APPLICABLE TO ALL CLAIMS, LIABILITIES, LOSSES, DAMAGES OR EXPENSES THAT HAVE RESULTED FROM OR ARE ALLEGED TO HAVE RESULTED FROM THE ACTIVE OR PASSIVE OR THE SOLE, JOINT OR CONCURRENT ORDINARY NEGLIGENCE OF SUNTX OR ANY OTHER INDEMNIFIED PERSON.**

The foregoing right to indemnity shall be in addition to any rights that SunTx and/or any other Indemnified Person may have at common law or otherwise and shall remain in full force and effect following the completion or any termination of this Agreement. The Company hereby consents to personal jurisdiction and to service and venue in any court in which any claim is subject to this Agreement is brought against SunTx or any other Indemnified Person.

It is understood that SunTx and certain other Indemnified Persons may also be engaged to act for the Company in one or more additional capacities, and that the terms of any such additional engagements may be embodied in one or more separate written agreements. This indemnification shall apply to SunTx's engagement hereunder, as well as to any additional engagement(s) (whether written or oral) and any modification of such engagement or additional engagement(s), and shall remain in full force and effect following the completion or termination of such engagement or additional engagement(s).

6. **Independent Contractor.** The Company and SunTx agree and acknowledge that SunTx shall perform the Services as an independent contractor, retaining control over and responsibility for its own operations and personnel. Neither SunTx nor its employees shall be considered employees or agents of the Company as a result of this Agreement or the Services provided hereunder.

7. **Governing Law.** This Agreement shall be construed and administered and the validity hereof shall be determined in accordance with the laws of the State of Delaware, without regard to its conflicts of laws rules.

IN WITNESS WHEREOF, the parties hereto have executed this Management Services Agreement as of the date first written above.

CONSTRUCTION PARTNERS, INC.

By: /s/ Charles E. Owens
Printed Name: Charles E. Owens
Title: President

SUNTX CAPITAL MANAGEMENT CORP.

By: /s/ Ned N. Fleming, III
Ned N. Fleming, III
President

[Signature Page – Management Services Agreement]

Exhibit 10.14

AMENDMENT TO
MANAGEMENT SERVICES AGREEMENT

Construction Partners, Inc., a Delaware corporation (the "***Company***") and SunTx Capital Management Corp., a Texas corporation ("***SunTx***"), hereby enter into this Amendment (the "***Amendment***"), which is made effective as of October 1, 2013, to the Management Services Agreement, dated October 1, 2006 (the "***Agreement***").

WHEREAS, the Company and SunTx previously entered into the Agreement, effective as of October 1, 2006;

WHEREAS, the Agreement provides that the term thereof shall expire on October 1, 2013; and

WHEREAS, the Company and SunTx desire to extend the term of the Agreement.

NOW, THEREFORE, in consideration of the mutual agreements set forth below and in the Agreement, the Company and SunTx agree as follows:

1. Section 3 of the Agreement is hereby deleted in its entirety and replaced by the following:

"3. **Term.** The term of this Agreement shall expire on October 1, 2023; provided, however, that SunTx may terminate its obligations to provide the Services upon 60 days' prior written notice to the Company."

IN WITNESS WHEREOF, the parties hereto have executed this Amendment, which shall be effective as of the date first written above.

CONSTRUCTION PARTNERS, INC.

By: /s/ Charles Owens
Name: Charles Owens
Title: Cheif Executive Officer

SUNTX CAPITAL MANAGEMENT CORP.

By: /s/ Mark R. Matteson
Name: Mark R. Matteson
Title: Vice President

EMPLOYMENT AND NON-COMPETE AGREEMENT

THIS EMPLOYMENT AND NON-COMPETE AGREEMENT (this "**Agreement**") is made this 27th day of June, 2014, to be effective as of July 1, 2014 (the "**Effective Date**"), by and between **FSC II, LLC,** a North Carolina limited liability company (hereinafter the **"Company"**), and **F. Julius Smith III,** an individual and North Carolina resident (hereinafter the "**Employee**"), and for the sole limited purpose of agreeing to be bound by Section 19 of this Agreement, Construction Partners, Inc., a Delaware corporation ("**CPI**").

1. TERMINATION OF OLD EMPLOYMENT AGREEMENT

The parties agree that upon execution of this Agreement that the original employment agreement entered into between Company, Employee, and Construction Partners, Inc. dated on or about March 17, 2011 will be terminated, such that neither party shall have any obligation to the other thereunder. The parties specifically acknowledge and agree that the performance requirements for the stock bonus contemplated in Section 5 of such original employment agreement, as amended, were not met and that no stock bonus is due thereunder.

2. EMPLOYMENT.

A. Position of Employment. Company hereby employs Employee as an employee of Company. Employee will be employed as President of Company, to be in charge of the management and day-to-day operations of Company's business located in Raleigh, North Carolina. Employee shall further satisfy Employee's obligations as an employee of Company as may be determined and assigned to Employee from time to time by the Chief Executive Officer ("**CEO**") of Company, which the parties acknowledge shall initially be Charles E. Owens.

B. Acceptance of Employment. Employee hereby accepts employment, and, as an employee of Company, Employee agrees to perform such duties as may be determined and assigned to him from time to time by the CEO of Company.

3. PERFORMANCE AND DUTIES.

Employee agrees to devote his full business time and efforts to the performance of his duties as an employee of Company, including such other duties as are assigned to him from time to time by the CEO of Company. Employee agrees that he will not devote his business time and efforts to any other business or venture while he is employed with Company without the prior written approval of the CEO of Company.

4. TERM OF AGREEMENT.

The term of Employee's employment by Company hereunder (the "**Term**") commenced on the Effective Date and shall continue until June 30, 2019 (the "**Normal Termination Date**"), unless earlier terminated or extended as hereinafter provided. At the Normal Termination Date, the Term shall be automatically extended on a month-to-month basis on the same terms and conditions, with either party having the right to terminate the Term by providing written notice to the other party prior to the end of the month in which the Term is being terminated.

5. COMPENSATION; RETENTION PAYMENTS.

A. Base Salary. For all services to be rendered by Employee hereunder, including any other duties assigned to Employee from time to time by the CEO of Company, Employee shall be entitled throughout the Term to an aggregate annual base salary of three hundred fifty thousand and 00/100 Dollars ($350,000.00), as the same may be increased from time-to-time in the discretion of the CEO of Company (the "**Base Salary**"), to accrue on a monthly basis and to be paid in accord with the normal payroll policies of Company, less appropriate taxes required to be withheld, as determined by Company's accountants.

B. Retention Payments. In consideration of Employee agreeing to continue employment with Company, Employee shall be entitled to receive until the fifth (5th) anniversary of this Agreement (unless earlier terminated pursuant to the provisions of Section 6 or Section 18 of this Agreement), retention payments equal to Twenty-Five Thousand and 00/100 Dollars ($25,000.00) per month (the "**Retention Payments**"), to be paid in accordance with the normal payroll policies of Company, less appropriate taxes required to be withheld, as determined by Company's accountants.

C. Discretionary Bonus. If Employee meets the eligibility requirements, Employee shall be entitled to a ("Discretionary Bonus") as determined by Construction Partners, Inc.

6. TERMINATION.

A. Termination Upon Death. This Agreement shall terminate upon Employee's death, and in such event Employee (or Employee's estate, as the case may be) shall *only* be entitled to receive the following, less appropriate taxes required to be withheld, as determined by Company's accountants:

(i) Base Salary accrued but unpaid through the end of the month in which Employee's death occurs; and

(ii) Retention Payments, accrued but unpaid through the end of the month in which Employee's death occurs.

Furthermore, if at the time of Employee's death Company is making Non-Compete Payments as contemplated in Section 18 below, such Non-Compete Payments shall automatically terminate.

B. Termination by Employee Upon Written Notice. This Agreement may be terminated by Employee upon thirty (30) days written notice to Company, in which case Employee shall *only* be entitled post-termination to receive the following, less appropriate taxes required to be withheld, as determined by Company's accountants:

(i) Base Salary accrued but unpaid through the last day of the 30 day notice period;

(ii) Retention Payments, accrued but unpaid through the last day of the 30 day notice period; and

(iii) Non-Compete Payments, if Company makes the Post-Employment Non-Compete Election as contemplated in Section 18 below, paid and calculated in accordance with Section 18.

C. Termination Without Cause By Company Upon Written Notice This Agreement may be terminated "without cause" by Company upon thirty (30) days written notice to Employee, in which case Employee shall *only* be entitled post-termination to receive the following, less appropriate taxes required to be withheld, as determined by Company's accountants:

(i) Base Salary accrued but unpaid through the last day of the 30 day notice period;

(ii) Retention Payments, payable until the fifth (5th) anniversary of this Agreement (unless Employee dies before such fifth (5th) anniversary, in which case such Retention Payments shall terminate); and

(iii) Non-Compete Payments, if Company makes the Post-Employment Non-Compete Election as contemplated in Section 18 below, paid and calculated in accordance with Section 18.

D. Termination By Company For Cause. This Agreement and the employment relationship herein contemplated may be terminated immediately by Company "for cause" for any of the following reasons:

(i) Pursuant to Section 8 of this Agreement, below;

(ii) If Employee commits or is convicted of a crime, or commits any crime or act, involving moral turpitude or that would materially harm the business or reputation of Company;

(iii) If Employee, because of ill health, physical or mental disability or for other causes beyond his control is unable to perform his duties on a consistent basis and has accumulated more than a total of sixty (60) sick leave days during any calendar year during the Term (which for purposes of this Agreement shall be deemed to be "permanent disability");

(iv) The intentional violation by Employee of instructions or policies established by Company with respect to the operations of its business and affairs, or Employee's material failure to carry out Employee's duties hereunder or the reasonable instructions of the CEO of Company;

(v) Employee's willful failure or inability for any voluntary reason to devote his full business time to Company's business as contemplated herein; and

(vi) Any material breach by Employee of any of the terms of, or the substantial or willful failure by Employee to perform any covenant in this Agreement.

In the case of subparagraphs (iv), (v), and (vi), immediately above, a termination "for cause" shall require Company to provide Employee written notice of the violation, breach or misconduct and Employee shall have a ten (10) day period to cure the same, with the effectiveness of such cure to be determined in the reasonable discretion of Company.

In the case of a termination for cause, Employee shall *only* be entitled post-termination to receive the following, less appropriate taxes required to be withheld, as determined by Company's accountants:

(i) Base Salary accrued but unpaid through Employee's last day of employment;

(ii) Retention Payments, payable until the fifth (5th) anniversary of this Agreement (unless Employee dies before such fifth (5th) anniversary, in which case such Retention Payments shall terminate); and

(iii) Non-Compete Payments, if Company makes the Post-Employment Non-Compete Election as contemplated in Section 18 below, paid and calculated in accordance with Section 18.

7. BENEFITS.

A. General Benefits. During the Term, Employee shall be entitled to those normal Company benefits and holidays that are offered to the other employees of Company, on the same terms as the other employees of Company, so long as Employee meets the eligibility requirements of such benefits.

B. Health and Dental Insurance. During the Term, if Company commences or maintains a health or dental insurance plan for employees, as long as Employee meets the participation requirement for such plan, Employee shall be entitled to family medical coverage under said plan at Company's expense. Employee shall be responsible for the payment of any deductibles required under said policy or policies of insurance.

C. Automobile. During the Term, Company agrees to provide to Employee at Company's expense a Company owned automobile similar to the vehicle that Employee was provided by Company immediately prior to the date hereof, for Employee's use in the conduct of Company's business. Company agrees that the costs of maintaining such vehicle, including, without limitation, repairs, operating expenses, gas, oil, tires, and insurance, shall be borne by Company.

D. Vacation. Employee shall be entitled to fifteen (15) total work days paid vacation during each calendar year of employment at such time or times as shall be approved by the CEO of Company, which approval shall not be unreasonably withheld. A work week for Employee is five (5) days of each Monday through Friday. A work day is one (1) of those five (5) days. There will be no carryover of unused vacation time or other unused time (as described above) from one calendar year of employment to the next calendar year of employment.

E. **Cellular Phone.** Company shall provide to Employee a cellular phone for Employee's use while Employee is employed by Company. Employee agrees that such cellular phone is to be used primarily in furtherance of Company's business, and Employee agrees to reasonably moderate or limit any personal use that might materially increase Company's cost of said cellular phone.

F. **Life Insurance.** Within thirty (30) days of the date hereof Company shall obtain, and, so long as the Retention Payments are being made by Company to Employee, shall cause to be maintained in full force and effect, including the payment of any applicable premiums, a policy of term life insurance insuring the life of Employee in the amount of Two Million and 00/100 Dollars ($2,000,000), with such beneficiary or beneficiaries as Employee may from time-to-time designate. This subparagraph assumes the insurability of Employee, and if the Employee is not reasonably insurable due to poor health or other reasons, this Section 7.E. shall be inapplicable.

8. PHYSICAL OR MENTAL DISABILITY.

If by reason of physical or mental illness, excessive use of alcohol, usage of drugs, chemicals or any other controlled substances, Employee is materially impaired in Employee's ability to perform Employee's duties or any other duties which may be assigned to Employee by the CEO of Company, Employee will promptly notify Company and accept remedial assistance and/or such other action as may be taken by Company for Employee's benefit and for the benefit of Company and its other employees. In the alternative, the CEO of Company may elect to terminate this Agreement for cause immediately by written notice to Employee.

9. PROMOTION OF BUSINESS.

During the Term, Employee agrees to use Employee's best efforts, skill and judgment exclusively to promote, improve and advance the business and interest of Company. Employee further agrees that he shall not participate, directly or indirectly, individually or as a shareholder, member, partner, employee, agent, consultant, officer, director or otherwise, in any other business where such participation will in any manner interfere (as determined in the reasonable discretion of the CEO of Company) with the business of Company or which, in the reasonable discretion of the CEO of Company, could result in the integrity of Company being subject to doubt.

10. NOTICES.

Any and all notices referred to herein shall be sufficient if furnished in writing and sent by registered or certified mail, return receipt requested, to the respective parties at the address last shown on the records of Company.

11. WAIVER OF BREACH.

The waiver of either party of a breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach thereof. Any forbearance by Company of any act or omission of Employee and Employee's duties and responsibilities hereunder shall not be deemed or legally construed to be a consent to such acts or omissions or a waiver of any rights of Company hereunder or otherwise.

12. GOVERNING LAW.

This Agreement shall be construed, interpreted, and governed according to the laws of the State of North Carolina.

13. PARAGRAPH HEADINGS.

The paragraph headings contained in this Agreement are for convenience only and shall in no manner be construed as a part of this Agreement.

14. INVALID PROVISION.

The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable provision had been omitted.

15. ENTIRE AGREEMENT.

This Agreement contains the entire agreement of the parties with regards to the subject matter contained herein. It may not be changed orally but may be changed, modified, extended or terminated by mutual agreement of the parties, in writing, signed by both parties.

16. NEGOTIATED AGREEMENT.

The parties acknowledge and agree that this Agreement is the product of arms-length negotiation with both parties having the opportunity to seek and obtain advice of legal counsel and having employed separate legal counsel or voluntarily chosen not to seek legal counsel, as the case may be, shall not be construed strictly against either party hereto.

17. CONFIDENTIALITY PROVISIONS.

Pursuant to the employment relationship contemplated herein, Employee acknowledges that Employee may learn of, or become in possession of, certain **"Confidential Information",** which shall for purposes of this Agreement shall be defined as all information regarding Company's (or Company's parent company's) business, operations and/or its employees, including, but not limited to, information regarding Company's customer lists, any existing, proposed or future orders or contracts, business practices, customs, policies, marketing strategies and the like, computer systems and software, sales or bidding methods, technical expertise,

customer names and lists, employee information and records, supplier information, contracts and agreements, business plans, real estate strategies, plans and the like, financial information, and any other confidential or proprietary information or data. For good and valuable consideration, the sufficiency of which is hereby acknowledged, Employee hereby covenants and agrees to maintain the confidentiality of all Confidential Information that Employee receives or comes into possession of in the course of Employee's employment with Company, and shall not ever release, publish, reveal or otherwise disclose such Confidential Information, directly or indirectly, to any other person or entity.

The obligation of non-disclosure of Confidential Information shall not be applicable to the extent any of the following occurs:

(a) The Confidential Information becomes known to the public without the fault of Employee, or;

(b) The Confidential Information is disclosed publicly by Company, or;

(c) The Confidential Information loses its status as confidential through no fault of Employee, or;

(d) The disclosure of Confidential Information is required by applicable law.

18. NONCOMPETITION PROVISIONS

A. Applicability. During the entirety of Employee's employment with Company during the Term of this Agreement, and, if Company makes the Post-Employment Non-Compete Election contemplated in Section 18.B. below, then continuing for a two (2) year period following the last day of Employee's employment with Company, Employee hereby covenants and agrees that Employee will not, directly or indirectly, alone, with others, or by and through an Affiliate (as hereinafter defined), be or become an owner, officer, director, agent, partner, stockholder, employee, broker, advisor, investor, consultant or participate in any other capacity, in any business, company or enterprise which competes with Company or any of Company's subsidiaries or affiliated entities in the Business (as hereinafter defined) in the Restricted Territory.

B. Post-Employment Non-Compete Election. For purposes of this Agreement, the "**Post-Employment Non-Compete Election**" shall mean Company's right, at anytime during the thirty (30) day period following the last day of Employee's employment with Company by employee (other than death) or By Company with Cause, to elect, via notice delivered orally, via personal delivery, regular mail, certified mail, overnight courier, or other reasonable means, to notify Employee that Company intends to activate and enforce the two-year post-employment non-compete period described in Section 18.A. hereinabove. In the event Employee's employment with Company is terminated Without Cause Upon Written Notice or by expiration of this Agreement, then Company must provide Employee at least (180) days notice of its intent to make the Post Employment Non-Compete Election. Once this election is made, the two-year post-employment noncompetition provisions contemplated in Section 18. A. hereinabove shall be activated and bind Employee and be enforceable by Company as contemplated herein.

C. Non-Compete Payments. Employee acknowledges and agrees that Employee's continued employment with the Company and the payment of the Retention Payments is sufficient consideration for Employee's agreement not to compete hereunder. Notwithstanding, in the event Company makes the Post Employment Non-Compete Election, then, as additional consideration for Employee's agreement not to compete hereunder, Company agrees to pay Employee a monthly payment equal to the amount of Employee's then current monthly Base Salary at the time the Post-Employment Non-Compete Election was made, payable monthly for a period of twenty-four (24) consecutive months, with the first such payment being due within five (5) days of Company making the Post-Employment Non-Compete Election and the remaining payments continuing and being due on the same day of each consecutive month thereafter (the "**Non-Compete Payments**"). No such payment shall be past due until the fifth (5th) day following the due date, and Company shall not be in breach for missing a payment unless Employee notifies Company a payment is past due and gives Company a three (3) day cure period. These Non-Compete Payments shall terminate upon the death of Employee without further action by any party.

D. No Disclosure. Employee hereby further covenants and agrees that Employee will not commit any act or in any way assist another to commit any act for the purpose of competing with or injuring Company, or Company's Affiliates, in any manner which would violate the provisions contained in Paragraph A above, and, without limiting the generality of the foregoing, neither will, for such purpose, divulge any Confidential Information in violation of the provisions of Section 17.

E. Remedies. The parties hereto realize and agree that a breach by Employee of the covenants in thisSection 18 will result in substantial injury and damage to Company for which there is no adequate remedy at law and by reason thereof, in the event of the occurrence of any breach by Employee of the covenants in this Section 18, said injured parties affected by such breach, or either of them, shall be entitled, in addition to any other remedies and damages available, to an injunction or other equitable remedy to restrain the violation thereof by the party or parties breaching the same, or such party's agents, partners, assigns, servants, employees, family, or any other person acting for his benefit. If a breach by Employee of the covenants in this Section 18 occurs during the Term, Company shall in addition have all available cumulative rights and remedies, including, but not limited to, the right to sue for damages, to enjoin any such violation, to prevent any such further violation by action in equity or otherwise, and Employee shall be responsible for any and all costs incurred, including reasonable attorneys' fees incurred by virtue of enforcing this Section 18. In addition, if Employee breaches the covenants in this Section 18 or challenges the validity of such covenants in any way, Company shall have the right to immediately terminate any Retention Payments, if any, that are still due and owing at the time of such breach or challenge, and also terminate any Non-Compete Payments being made to Employee.

F. Covenants Reasonable. Employee hereby recognizes and acknowledges that the provisions of this Section 18 and the restrictions placed upon the activities herein are required for the reasonable protection of Company. Employee represents and admits that Employee's respective and collective experience and capabilities are such that Employee can participate in businesses which would not compete with Company in the manner set forth in Section 18.A. above, and the enforcement of a remedy by way of injunction will not cause any Employee material or substantial hardship.

G. Severability. All of the terms, provisions and conditions of this Section 18 shall be deemed to be severable in nature. If for any reason the provisions hereof are held to be invalid or unenforceable, a court of competent jurisdiction shall construe and interpret this Section 18 to provide for maximum validity and enforceability of this Agreement. The parties agree that the provisions of this Agreement shall be construed in such a manner to restrict or preclude Employee from competing with Company.

H. Certain Definitions. As used in this Section 18, the following terms shall have the following meanings:

(i) The term "**Affiliate**" shall mean (i) any person (first person), more than five percent (5%) of the issued and outstanding stock of which, or more than five (5%) percent interest in which, is owned, directly or indirectly, by a second person, (ii) any agent, trustee, officer, director, employee, partner or shareholder (or any member of the family of any agent, trustee, officer, director, employee, partner or shareholder) of the first person, or any person that directly or indirectly through one or more intermediaries, controls, or (iv) is controlled by, or is under common control with, a second person. The term "**person**" shall mean any natural person, partnership, corporation, association or other legal entity. The term "**control**" (including the terms "**controlled by**" and "**under common control with**") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise. The term "**family**" shall be deemed to include spouses, parents, brothers and sisters of such spouses, parents, brothers and sisters.

(ii) The term "**Business**" shall mean the road construction, paving, grading, asphalt business and any other business or activity that Company is currently engaged in as of the date of the execution hereof.

(iii) The term "**Restricted Territory**" shall mean the Raleigh, North Carolina market area, which is further defined as a seventy-five (75) mile radius of the city limits of Raleigh, North Carolina, and Employee acknowledges that the Raleigh, North Carolina market area is a reasonable geographic area for purposes of the restrictions set forth in this Agreement.

19. CPI GUARANTY OF RETENTION PAYMENTS

By execution of this Agreement, CPI hereby guarantees to Employee the payment, when due, of the Retention Payments. In the event CPI makes any Retention Payments to Employee pursuant to this guaranty, the Company agrees to indemnify CPI for payment of the same and further agrees to pay any costs and expenses associated with enforcing this indemnity, including attorney's fees.

-INTENTIONALLY BLANK; SIGNATURES ON FOLLOWING PAGE-

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement on the date first written above intending to be bound by the provisions hereof.

"Company"

FSC II, LLC

By: /s/ Charles Owens
Its: Chief Executive Officer

"Employee"

/s/ F. Julius Smith III
F. Julius Smith III

AND for the sole limited purpose of agreeing to the guaranty provisions set forth in Section 19 of this Agreement:

"CPI"

CONSTRUCTION PARTNERS, INC.

By: /s/ Charles Owens
Its: President

FORM OF
SUNTX CPI GROWTH COMPANY, INC.
NON-PLAN STOCK OPTION AGREEMENT

This Non-Plan Stock Option Agreement, dated as of March 31, 2010 (this "***Agreement***"), is made and entered into by and between SunTx CPI Growth Company, Inc., a Delaware corporation (the "***Company***"), and the undersigned Optionee. All capitalized terms used but not otherwise defined in this Agreement shall have the meaning assigned to them in the attached Appendix.

1. **Grant of Option**. The Company hereby grants to Optionee, as of the Grant Date and subject to all of the terms and conditions of this Agreement, aNon-Statutory Option (hereinafter, the "***Option***") to purchase up to the number of Option Shares set forth below at the Exercise Price. The Option shall become vested in accordance with Section 2 of this Agreement and thereafter, shall be exercisable, in whole or in part, at any time and from time to time during the Option Period. The Option is granted in accordance with the following terms:

(a) Optionee:	[ ]
(b) Grant Date:	March 31, 2010
(c) Number of Class I Option Shares:	[ ]
(d) Number of Class II Option Shares:	[ ]
(e) Exercise Price:	$143.60 per share
(f) Type of Option:	Non-Statutory Stock Option
(g) Expiration Date:	March31, 2017.

2. **Vesting**. Unless expired as provided inSection 3 of this Agreement, the Option shall vest as follows:

(a) One-third of the Option Shares shall vest and become exercisable on December 31, 2010; and

(b) One-third of the Option Shares shall vest and become exercisable on December 31, 2011; and

(c) the remaining one-third of the Option Shares shall vest and become exercisable on December 31, 2012;

provided, however, that the Option shall become fully vested if, During Optionee's Continous Service (i) the Company consummates a merger or consolidation with an unaffiliated third party, (ii) the Company sells all or substantially all of its assets to an unaffiliated third party or (iii) all of the outstanding capital stock of the Company is sold to an unaffiliated third party (each, a "***Liquidity Event***"), provided that each such Liquidity Event is approved by the Board and stockholders of the Company;provided, further, that a transaction shall not constitute a Liquidity

Event if its sole purpose is to change the state of the Company's incorporation or to create a holding company that will be owned in substantially the same proportion by the persons who held the Company's securities immediately before such transaction. If Optionee's Continuous Service is terminated by the Company or an affiliate of the Company for cause, the Option (whether or not vested) will expire on the date of Optionee's termination of Continuous Service (the "***Termination Date***") and be of no further force or effect. If Optionee's Continuous Service is terminated for any other reason (including death or disability), the unvested portion of the Option shall terminate and the vested portion shall remain outstanding until one year from the Termination Date, unless exercised earlier in connection with the occurrence of a Liquidity Event.

As used herein, "***Continuous Service***" means that the Optionee's service with the Company or an affiliate of the Company, whether as an employee, director or consultant, is not interrupted or terminated. The Optionee's Continuous Service shall not be deemed to have terminated merely because of a change in the capacity in which the Optionee renders service to the Company or an affiliate as an employee, consultant or director or a change in the entity for which the Optionee renders such service, provided that there is no interruption or termination of the Optionee's Continuous Service. For example, a change in status from an employee of the Company to a consultant of an affiliate of the Company will not constitute an interruption of Continuous Service.

3. **Option Period**. The Option shall have a term of seven (7) years measured from the Grant Date and shall accordingly expire at the close of business on the Expiration Date (hereinafter, the "***Option Period***").

4. **No Transferability**. The Option shall be neither transferable nor assignable by Optionee in any manner other than by will or by the laws of descent and distribution and may be exercised during the lifetime of Optionee only by Optionee or, in the event of Optionee's incapacity, by Optionee's legal representative. The terms of the Option shall be binding upon the executors, administrators, successors and assigns of Optionee.

5. **Adjustment in Option Shares**. The Option Shares shall be subject to adjustment as follows:

(a) In connection with any investment by the Fund in the Company prior to theCut-off Date, the number of Class I Option Shares shall be adjusted up to a maximum of 40,000 Class I Option Shares following such investment so that the ratio of the number of Class I Option Shares to the sum of the number of shares of Fully-Diluted Common Stock on the Grant Date plus all shares of Common Stock issued to the Fund after the Grant Date shall equal the ratio of the number of Class I Option Shares on the Grant Date to the number of shares of Fully-Diluted Common Stock on the Grant Date.

(b) At any time before the expiration of the Option Period, if any change is made to the Common Stock by reason of any stock split, stock dividend, recapitalization, combination of shares, exchange of shares or other change affecting the outstanding Common Stock as a class without the Company's receipt of consideration, appropriate adjustments shall be made to (i) the total number and/or class of the Option Shares and (ii) the Exercise Price in order to reflect such change and thereby preclude a dilution or enlargement of benefits hereunder.

6. **Stockholder Rights**. The holder of the Option shall not have any stockholder rights with respect to the Option Shares until such person shall have exercised the Option, paid the Exercise Price**,** executed the Stockholders Agreement (to the extent it has not been terminated prior thereto) and become the record holder of the Option Shares.

7. **Manner of Exercising Option**.

(a) In order to exercise the Option with respect to all or any part of the Option Shares for which the Option is at the time exercisable, Optionee (or any other person or persons exercising the Option) must take the following actions:

(i) Execute and deliver to the Company the Purchase Agreement for the Option Shares for which the Option is exercised.

(ii) Pay the aggregate Exercise Price for the purchased Option Shares (A) by cash or check made payable to the Company, (B) by cashless exercise pursuant to Section 7(b) below or (C) by any combination of the foregoing.

(iii) Furnish to the Company appropriate documentation that the person or persons exercising the Option (if other than Optionee) have the right to exercise the Option.

(iv) Execute and deliver to the Company such written representations as may be requested by the Company in order for it to comply with the applicable requirements of federal and state securities laws.

(v) Make appropriate arrangements with the Company for the satisfaction of all federal, state and local income tax withholding requirements applicable to the exercise of the Option.

(vi) Execute and deliver, and agree to be bound by the terms and conditions set forth in, the Stockholders Agreement (to the extent it has not been terminated prior thereto)**.**

(b) Instead of paying the Exercise Price in cash or by check, Optionee may, upon written notice to the Company, elect to receive, without the payment by Optionee of any additional consideration, shares equal to the value of the Option or any portion hereof by the surrender of the Option or such portion to the Company at the office of the Company. Thereupon, the Company shall issue to the Optionee such number of fully paid and nonassessable shares of Common Stock as is computed using the following formula:

$$X = \frac{Y\,(A-B)}{A}$$

where:

X = the number of Option Shares to be issued to the Optionee (or any other person or persons exercising the Option) pursuant to this Section 7(b).

Y = the number of Option Shares in respect of which the net exercise election is made pursuant to this Section 7(b).

A = the Fair Market Value of one Option Share.

B = the Exercise Price.

(c) As soon as practical after the Exercise Date, the Company shall issue to or on behalf of Optionee (or any other person or persons exercising the Option) a certificate for the Option Shares, with the appropriate legends affixed thereto.

(d) In no event may the Option be exercised for any fractional shares.

8. **TRANSFER RESTRICTIONS. ALL OPTION SHARES ACQUIRED UPON THE EXERCISE OF THE OPTION SHALL BE SUBJECT TO CERTAIN RIGHTS OF FIRST REFUSAL OF THE COMPANY AND ITS ASSIGNS TO REPURCHASE THOSE SHARES IN ACCORDANCE WITH THE TERMS SPECIFIED IN THE PURCHASE AGREEMENT.**

9. **Compliance with Laws and Regulations**.

(a) The exercise of the Option and the issuance of the Option Shares upon such exercise shall be subject to compliance by the Company and Optionee (or any other person or persons exercising the Option) with all applicable requirements of law relating thereto and with all applicable regulations of any stock exchange (or the Nasdaq National Market, if applicable) on which the Common Stock may be listed for trading at the time of such exercise and issuance.

(b) The inability of the Company to obtain approval from any regulatory body having authority deemed by the Company to be necessary to the lawful issuance and sale of any Common Stock pursuant to the Option shall relieve the Company of any liability with respect to the non-issuance or sale of the Common Stock as to which such approval shall not have been obtained. The Company, however, shall use its best efforts to obtain all such approvals.

10. **Notices**. Any notice required to be given or delivered to the Company under the terms of this Agreement shall be in writing and addressed to the Company at its principal corporate offices. Any notice required to be given or delivered to Optionee shall be in writing and addressed to Optionee at the address indicated below Optionee's signature line on the signature page hereto. All notices shall be deemed effective upon personal delivery or upon deposit in the U.S. mail, postage prepaid and properly addressed to the party to be notified.

11. **Governing Law**. The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without resort to that State's conflict-of-laws rules.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first indicated above.

COMPANY:

SUNTX CPI GROWTH COMPANY, INC.

By: _____
Name: _____
Title: _____

OPTIONEE:

_____
[NAME]
Address: _____
_____

EXHIBIT A

NON-PLAN STOCK PURCHASE AGREEMENT

APPENDIX

The following definitions shall be in effect under this Agreement:

A. "***Agreement***" shall mean this Non-Plan Stock Option Agreement.

B. "***Board***" shall mean the Company's board of directors.

C. "***Class I Option Shares***" shall mean the number of shares of Common Stock subject to this Option set forth in Section 1(c), as adjusted pursuant to the terms of this Agreement.

D. ***Class II Option Shares***" shall mean the number of shares of Common Stock subject to this Option set forth in Section 1(d), as adjusted pursuant to the terms of this Agreement.

E. "***Code***" shall mean the Internal Revenue Code of 1986, as amended.

F. "***Common Stock***" shall mean the Company's common stock, par value $0.001 per share.

G. "***Common Stock Equivalents***" shall mean any shares of capital stock or other rights, warrants, options, convertible securities or indebtedness, exchangeable securities or other instruments or agreements convertible, exercisable or exchangeable into, directly or indirectly, shares of Common Stock, whether or not the rights to convert or exchange same shall be immediately exercisable or exercisable upon the passage of time or occurrence of some future event.

H. "***Company***" shall mean SunTx CPI Growth Company, Inc., a Delaware corporation, and any successor corporation to all or substantially all of the assets or voting stock of SunTx CPI Growth Company, Inc.

I. "***Cut-off Date***" shall mean December 31, 2010.

J. "***Exercise Date***" shall mean the date on which the Option shall have been exercised in accordance with Section 7 of this Agreement.

K. "***Exercise Price***" shall mean the exercise price payable per Option Share, as specified in Section 1.1(e) of this Agreement.

L. "***Expiration Date***" shall mean the date on which the Option expires, as specified in Section 1.1(g) of this Agreement.

M. "***Fair Market Value***" per share of Common Stock on any relevant date shall be determined in accordance with the following provisions:

(i) If the Common Stock is at the time traded on the Nasdaq National Market, then the Fair Market Value shall be the closing selling price per share of Common Stock on the date in question, as the price is reported by the National Association of Securities Dealers on the Nasdaq National Market and published in The Wall Street Journal. If there is no closing selling price for the Common Stock on the date in question, then the Fair Market Value shall be the closing selling price on the last preceding date for which such quotation exists.

(ii) If the Common Stock is at the time listed on any Stock Exchange, then the Fair Market Value shall be the closing selling price per share of Common Stock on the date in question on the Stock Exchange determined by the Company to be the primary market for the Common Stock, as such price is officially quoted in the composite tape of transactions on such exchange and published in The Wall Street Journal. If there is no closing selling price for the Common Stock on the date in question, then the Fair Market Value shall be the closing selling price on the last preceding date for which such quotation exists.

(iii) If the Common Stock is at the time neither listed on any Stock Exchange nor traded on the Nasdaq National Market, then the Fair Market Value shall be determined by the Board after taking into account such factors as the Board shall deem appropriate.

N. "***Fully Diluted Common Stock***" shall mean, at any time, the then outstanding Common Stock plus (without duplication) all shares of Common Stock issuable, whether at such time or upon the passage of time or the occurrence of future events, upon the exercise, conversion or exchange of all then outstanding Common Stock Equivalents.

O. "***Fund***" shall mean SunTx CPI Expansion Fund, L.P., a Delaware limited partnership.

P. "***Grant Date***" shall mean the date of grant of the Option, as specified in Section 1(b) of this Agreement.

Q. "***1934 Act***"shall mean the Securities Exchange Act of 1934, as amended.

R. "***Non-Statutory Option***" shall mean an option not intended to satisfy the requirements of Code Section 422.

S. "***Option Shares***" shall mean the aggregate number of the the Class I Option Shares and the Class II Option Shares.

T. "***Optionee***" shall mean the person to whom the Option is granted, as specified in Section 1(a) of this Agreement.

U. "***Purchase Agreement***" shall mean the Non-Plan Stock Purchase Agreement in substantially the form of Exhibit A to this Agreement.

V. "***Stock Exchange****"* shall mean the American Stock Exchange or the New York Stock Exchange.

W. "***Stockholders Agreement***" shall mean that certain Stockholders Agreement, dated as of June 8, 2007, by and among the Company and the persons and entities named on Exhibit A thereto, as amended from time to time.

Exhibit 10.17

FORM OF
FIRST AMENDMENT
TO
NON-PLAN STOCK OPTION AGREEMENT

This First Amendment (this "***Amendment***") to the Non-Plan Stock Option Agreement, dated July 1, 2011 (the "***Option Agreement***"), by and between SunTx CPI Growth Company, Inc, a Delaware corporation (the "***Company***"), and [ ]. (the "***Optionee***"). Capitalized terms used herein but not defined herein are used as defined in the Option Agreement.

RECITALS

WHEREAS, the Optionee wishes to amend the Option Agreement to modify, among other things, the grant date, the expiration date and the vesting schedule (collectively, the "***Amendments***"); and

WHEREAS, the Company desires to amend the Option Agrement to provide for the Amendments.

STATEMENT OF AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the undersigned hereby agree as follows:

1. The first sentence of the preamble to the Option Agreement is hereby amended and restated in its entirety as follows:

> "This Non-Plan Stock Option Agreement, dated effective as of July 1, 2011 (this "***Agreement***"), is made and entered into by and between SunTx CPI Growth Company, Inc., a Delaware corporation (the "***Company***"), and the undersigned Optionee."

2. The last sentence of Section 1 to the Option Agreement is hereby amended and restated in its entirety as follows:

> "The Option is granted in accordance with the following terms:

(a) Optionee:	[NAME]
(b) Grant Date:	July 1, 2011
(c) Number of Class I Option Shares:	[ ]
(d) Number of Class II Option Shares:	[ ]
(e) Exercise Price:	$143.60
(f) Type of Option:	Non-Statutory Stock Option
(g) Expiration Date:	July 1, 2018"

3. The first sentence of Section 2 to the Option Agreement is hereby amended and restated in its entirety as follows:

"Unless expired as provided in Section 3 of this Agreement, the Option shall vest as follows:

(a) One-third of the Option Shares shall vest and become exercisable on July 1, 2012; and

(b) One-third of the Option Shares shall vest and become exercisable on July 1, 2013; and

(c) One-third of the Option Shares shall vest and become exercisable on July 1, 2014;

provided, however; that the Option shall become fully vested if, during Optionee's Continuous Service (i) the Company consummates a merger or consolidation with an unaffiliated third party or (ii) the Company sells all or substantially all of its assets to an unaffiliated third party or (iii) all of the outstanding capital stock of the Company is sold to an unaffiliated third party (each, a "***Liquidity Event***"), provided that each such Liquidity Event is approved by the Board and stockholders of the Company; provided, further; that a transaction shall not constitute a Liquidity Event if its sole purpose is to change the state of the Company's incorporation or to create a holding company that will be owned in substantially the same proportion by the persons who held the Company's securities immediately before such transaction."

4. Except as expressly provided in this Amendment, all of the terms and conditions of the Option Agreement and the exhibits and schedules thereto remain unchanged and in full force and effect.

5. This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and to be performed entirely within such State.

6. This Amendment may be executed in separate counterparts each of which will be an original and all of which taken together will constitute one and the same agreement. Delivery of an executed signature page of this Amendment by facsimile transmission will constitute effective and binding execution and delivery of this Amendment by the executing party.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Company:

SUNTX CPI GROWTH COMPANY, INC.

By: _____
Name:
Title:

Optionee:

By: _____
[NAME]

Address: _____
_____

Signature Page First Amendmdent to the Option Agreement of [NAME].

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THEY MAY NOT BE OFFERED, SOLD, PLEDGED, HYPOTHECATED, ASSIGNED OR TRANSFERRED EXCEPT (i) PURSUANT TO A REGISTRATION STATEMENT UNDER THE SECURITIES ACT WHICH HAS BECOME EFFECTIVE AND IS CURRENT WITH RESPECT TO THESE SECURITIES, OR (ii) PURSUANT TO A SPECIFIC EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT, BUT ONLY UPON A HOLDER HEREOF FIRST HAVING OBTAINED THE WRITTEN OPINION OF COUNSEL TO THE ISSUER, OR OTHER COUNSEL, REASONABLY ACCEPTABLE TO THE ISSUER, THAT THE PROPOSED DISPOSITION IS CONSISTENT WITH ALL APPLICABLE PROVISIONS OF THE SECURITIES ACT AS WELL AS ANY APPLICABLE "BLUE SKY" OR OTHER SIMILAR SECURITIES LAW.

OPTION AGREEMENT

THIS OPTION AGREEMENT (this "**Option Agreement**") is made and entered into as of the 7th day of March, 2017 (the "**Date of Grant**") by and between Fred J. Smith, III ("**Holder**") and SunTx CPI Growth Company, Inc., a Delaware corporation ("**Issuer**").

ARTICLE I. OPTION.

Section 1.1 **Option; Exercise Price.** On the terms and subject to the conditions set forth in this Option Agreement, Holder shall have the right and option (the "**Option**") to purchase and acquire from Issuer 2,960 shares of its Common Stock, par value $0.001 per share (the "**Option Shares**") and Issuer agrees upon exercise of such Option to sell and transfer the Option Shares to Holder, for a purchase price (the "**Exercise Price**") of $1.00 per Option Share.

Section 1.2 **Exercise Period; Vesting**. Subject to Section 3.3, the Option shall be 100% vested upon the Date of Grant. The Option shall be exercisable only during the Change of Control Exercise Period if Holder provides written notice to the Issuer of the election to exercise all or a portion of your exercisable Option as of the date of Change in Control occurs (the "**Exercise Date**"). The term "**Change of Control**" means (i) with respect to the Issuer, (A) a sale of all or substantially all of the equity or assets of the Issuer to an unrelated Person (a "**Sale**") or (B) any merger or consolidation of the Issuer with another person if, immediately after giving effect thereto, any person (or group of persons acting in concert) other than the persons holding greater than fifty percent (50%) of the outstanding Common Stock immediately prior thereto (the "**Majority Holders**") shall have the power to designate or approve a majority of the members of the Board of Directors of the Issuer or the surviving person and (ii) with respect to any other or any of the Issuer's subsidiaries and Construction Partners, Inc. and its respective subsidiaries (each, a "**Related Company**"), as applicable (including, without limitation, the sale of all or substantially all of the assets of the Issuer or other Related Company together with such company's subsidiaries, taken as a whole), (A) a Sale of such Related Company or (B) any merger or consolidation of the Related Company with another person if, immediately after giving effect thereto, any person (or group of persons acting in concert) other than the Related Company Majority Holders immediately prior thereto shall have the power to designate or approve a

majority of the members of the Related Company Board of Directors or the surviving person, that also constitutes a "change in the ownership of a corporation," a "change in the effective control of a corporation," or a "change in the ownership of a substantial portion of a corporation's assets," in each case, within the meaning of § 1.409A-3(i)(5) of the 409A Regulations (including without limitation 1.409A-3(i)(5)(ii)). The term "**Change of Control Exercise Period**" means the election period beginning ten days before and ending on the date a Change of Control occurs. If the Option is not exercised or no Change of Control occurs on or before the tenth anniversary of the Date of Grant, (the "**Expiration Date**"), all unexercised Option Shares shall be canceled. The period in which the Option is exercisable is referred to herein as the "**Exercise Period**."

Section 1.3 **Expiration**. The Option shall expire on the earlier of

(a) Upon interruption or termination of the Holder's termination of the Holder's service with Issuer and any Related Company, whether as an employee, director or consultant ("**Continuous Service**"),

(b) The Expiration Date, or

(c) The occurrence of a "Change of Control" as defined above, after which all unexercised Options shall be canceled.

Section 1.4 **Character of Option.** The Option is a non-statutory option that is not intended to qualify as an "incentive stock option" as that term is defined in Section 422 of the Internal Revenue Code. This Option may constitute "deferred compensation" within the meaning of Section 409A of the Code.

ARTICLE II. MANNER OF EXERCISE.

Section 2.1 **Stock Option Exercise Agreement**. To exercise this Option, Holder (or in the case of exercise after Holder's death or incapacity, Holder's executor, administrator, heir or legatee, as the case may be) must deliver to Issuer an executed stock option exercise agreement in the form attached hereto as Exhibit A, or in such other form as may be approved by Issuer from time to time (the "**Exercise Agreement**"), which shall set forth, inter alia, (a) Holder's election to exercise the Option, (b) the number of Option Shares being purchased, (c) agreement to any restrictions imposed on the Option Shares, including an executed counterpart or joinder agreement to the Stockholders Agreement, and any stock powers or assignments, in form and substance satisfactory to the Company and (d) any representations warranties and agreements regarding Holder's investment intent and access to information as may be required by Issuer to comply with applicable securities laws. If someone other than Holder exercises the Option, then such person must submit documentation reasonably acceptable to Issuer verifying that such person has the legal right to exercise the Option.

Section 2.2 **Limitations on Exercise**. The Option may not be exercised unless such exercise is in compliance with all applicable federal and state securities laws, as they are in effect on the date of exercise. The Option may not be exercised for fewer than all the Option Shares covered hereby.

Section 2.3 **Payment**. The entire Exercise Price of the Option Shares under this Option plus applicable withholding shall be payable in full by cash, by certified check, cashier's check or other form of immediately available funds for an amount equal to the aggregate Exercise Price Per Share for the number of Option Shares being purchased, plus the applicable statutory tax withholding amount. Such amount shall be paid at the offices of the Issuer at 290 Healthwest Drive, Suite 2, Dothan, AL 36303 and shall be paid in U.S. Dollars. If the Common Stock of the Issuer is publicly traded, or if provided under the terms of the transaction documents governing such Change of Control, at the discretion of the Issuer on a case by case basis, by Cashless Exercise. "**Cashless Exercise**" means a procedure pursuant to which (a) Holder (or any other person or persons permitted to exercise this option) shall concurrently provide irrevocable instructions (1) to an Issuer-designated brokerage firm to effect the immediate sale of the purchased shares and remit to the Issuer, out of the sale proceeds available on the settlement date, sufficient funds to cover the aggregate Exercise Price payable for the purchased shares plus all applicable income and employment taxes required to be withheld by the Issuer by reason of such exercise and (2) to the Issuer to deliver the certificates for the purchased shares directly to such brokerage firm in order to complete the sale; or (b) pursuant to the terms of the transaction documents governing such Change of Control, Holder, in consideration for cancellation of the Option, receives a cash payment equal to the per share transaction consideration minus the Exercise Price, multiplied by the number of Option Shares that are exercisable (the "**Option Consideration**"). Except to the extent the Cashless Exercise procedure is utilized in connection with the option exercise, payment of the Exercise Price and applicable tax withholding must accompany the Exercise Agreement.

Section 2.4 **Tax Withholding**. As a condition of exercise and prior to the issuance of the Option Shares upon exercise of the Option, Holder must pay or provide for any applicable federal, state and local or foreign withholding obligations of the Issuer. Holder agrees to make adequate provision for federal, state or other tax withholding obligations, if any, which arise upon the grant, vesting or exercise of this Option, or disposition of Option Shares, whether by withholding, direct payment to the Issuer, or otherwise. Regardless of any action the Issuer takes with respect to any or all income tax, social security, payroll tax, or other tax-related items related to and legally applicable to Holder ("**Tax-Related Items**"), Holder acknowledges that the ultimate liability for allTax-Related Items is and remains Holder's responsibility and may exceed the amount actually withheld. Holder further acknowledges that the Issuer (A) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including, but not limited to, the grant, vesting, exercise/settlement of the Option, the issuance of Option Shares upon settlement of the Option and the subsequent sale of Option Shares acquired pursuant to such issuance and (B) does not commit to and is under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate Holder's liability for Tax-Related Items or achieve any particular tax result.

(a) In the event Holder fails to make adequate provision for applicable tax withholding obligations (or where the amount of money provided is insufficient to satisfy the applicable obligations), Holder authorizes the Issuer, in its discretion, to satisfy the obligations with regard to all Tax-Related Items by (x) withholding from Holder's wages or other cash compensation paid to Holder, (y) withholding through a Cashless Exercise or (z) a combination of the foregoing.

(b) If Holder's obligation is satisfied through a Cashless Exercise as described in the foregoing paragraph, the Issuer will endeavor to sell only the number of Option Shares required to satisfy Holder's minimum statutory withholding obligations for Tax-Related Items; however Holder agrees that the Issuer may sell more Option Shares than necessary to cover the Tax-Related Item (for example, if the amount necessary to cover theTax-Related Item would require the sale of a fractional share), and that in such event, the Issuer shall reimburse Holder for the excess amount withheld, in cash and without interest.

(c) The Issuer is not obligated, and shall have no liability for failure, to issue or deliver any Option Shares upon exercise of this Option unless such issuance or delivery would comply with any applicable laws, with such compliance determined by the Issuer in consultation with its legal counsel. This Option may not be exercised if the issuance of such Option Shares upon such exercise or the method of payment of consideration for such Option Shares would constitute a violation of any applicable laws, including any applicable U.S. federal or state securities laws or any other law or regulation. As a condition to the exercise of this Option, the Issuer may require Holder to make any representation and warranty to the Issuer as may be required by the applicable laws. Assuming such compliance, for income tax purposes the Option Shares shall be considered transferred to Holder on the date on which this Option is exercised with respect to such Option Shares.

Section 2.5 **Issuance of Option Shares**. Subject to compliance with applicable laws, this Option shall be deemed to be exercised upon receipt by the Issuer of the appropriate written notice of exercise accompanied by the Exercise Price and the satisfaction of any applicable withholding obligations. Provided that the Exercise Agreement and payment are in form and substance satisfactory to counsel for the Issuer, the Issuer shall issue the Option Shares registered in the name of Holder, Holder's authorized assignee, or Holder's legal representative, and shall deliver certificates representing the Option Shares with the appropriate legends affixed thereto. However, Issuer will not have any obligation to settle the exercise of any Option by issue and delivery of any Option Shares unless and until the Issuer receives the full amount of the required Exercise Price and such amount of money as the Issuer may require to meet its withholding obligation under applicable tax laws or regulations and to satisfy the tax withholding obligations of Section 2.4 hereof. Holder acknowledges and agrees that Option Shares may be issued in electronic form, as a book entry on the Issuer's stock ledger or books and records or with the Issuer's transfer agent and that no physical certificates need be issued. Holder also acknowledges and agrees that the terms of the transaction documents governing any Change of Control that triggers the Exercise Period, may require that the Option be cancelled for the Option Consideration paid on the same schedule and under the same terms and conditions as apply to payments to stockholders generally in the Change of Control transaction with respect to stock of the Issuer and that, in such case, Holder will receive the Option Consideration in cash and may not be entitled to receive Option Shares.

Section 2.6 **Reservation of Shares.** Prior to the end of the Exercise Period, Issuer agrees that it will reserve for issuance out of its authorized but unissued shares of Common Stock, that number of shares of Common Stock equal to the number of Option Shares then subject to the Option. The Issuer covenants and agrees that all shares of Common Stock that may be issued upon the exercise of this Option shall, upon issuance, be duly and validly issued, fully paid and non-assessable, and free from all taxes, liens and charges with respect to the purchase and issuance of the shares.

ARTICLE III. COMPLIANCE WITH LAWS AND REGULATIONS.

Section 3.1 **Securities Law Compliance**. The exercise of this Option and the issuance and transfer of Option Shares shall be subject to compliance by the Issuer and Holder with all applicable requirements of federal and state securities laws and with all applicable requirements of any stock exchange or other trading market on which the Issuer's Common Stock may be listed at the time of such issuance or transfer. Holder understands that the Issuer is under no obligation to register or qualify the Option Shares with the Securities and Exchange Commission (the "**SEC**"), any state securities commission or any stock exchange or other trading market to effect such compliance.

Section 3.2 **Nontransferability of Option**. The Option may not be transferred in any manner other than by will or by the laws of descent and distribution and may be exercised during the lifetime of Holder only by Holder or in the event of Holder's incapacity, by Holder's legal representative. The terms of the Option will be binding upon the executors, administrators, successors and assigns of Holder.

Section 3.3 **Stockholders Agreement; Obligation To Sell**. Notwithstanding anything herein to the contrary, prior to the receipt of any Option Shares upon exercise, Holder may be required to become a party to the Stockholders Agreement dated June 8, 2007, among the Company and the Company's shareholders as amended, supplemented or modified from time to time (the "**Stockholders Agreement**"). The restrictions on transferability of the Common Stock of the Company set forth in the Stockholders Agreement shall likewise apply to this Option and the Option Shares. Holder acknowledges and agrees that the Stockholders Agreement may contain restrictions on his right to transfer the Option Shares and may require that he sell the Option Shares under certain circumstances. The Board of Directors, or a committee appointed thereby, in its sole discretion, may determine whether Continuous Service shall be considered interrupted. All Option Shares issued upon the exercise of this Option shall be subject to the terms and conditions of the Stockholders Agreement.

Section 3.4 **No Rights as a Shareholder.** Holder shall have no rights as a stockholder with respect to the Option Shares until the date of the issuance to Holder of a stock certificate or stock certificates evidencing such Option Shares upon the exercise of the Option, and Holder shall have no right with respect to, and no adjustment in the number of Option Shares shall be made as a result of, any dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions or other rights for which the record date with respect thereto is prior to the date such stock certificate is issued.

Section 3.5 **Capitalization Adjustments**. If any change is made in the Common Stock subject to the Option, without the receipt of consideration by the Issuer (through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other transaction not involving the receipt of consideration by Issuer), then (a) the aggregate number of shares of Common Stock or class of

shares which may be purchased hereunder; and (b) the exercise price of the Option Shares that may be purchased under the Option in effect prior to such change will be proportionately adjusted by the Issuer to reflect any increase or decrease in the number of issued shares of Common Stock or change in the fair market value of such Common Stock resulting from such transaction; *provided*, *however*, that any fractional shares resulting from the adjustment may be eliminated by a cash payment. The Issuer will make such adjustments in a manner that is intended to provide an appropriate adjustment that neither increases or decreases the value of such Option as in effect immediately prior to such corporate change, and its determination shall be final, binding and conclusive. The conversion of any securities of the Issuer that are by their terms convertible shall not be treated as a transaction "without receipt of consideration" by the Issuer.

ARTICLE IV. RESTRICTIONS ON TRANSFER.

Section 4.1 **Securities Law Restrictions.** Regardless of whether the offering and sale of Option Shares under the Option have been registered under the Securities Act or have been registered or qualified under the securities laws of any state, the Issuer at its discretion may impose restrictions upon the sale, pledge or other transfer of such Option Shares (including the placement of appropriate legends on stock certificates or the imposition of stop-transfer instructions) if, in the judgment of the Issuer, such restrictions are necessary or desirable in order to achieve compliance with the Securities Act, the securities laws of any state or any other law.

Section 4.2 **Market Stand-Off**. If an underwritten public offering or a secondary offering by the Issuer of its equity securities occurs pursuant to an effective registration statement filed under the Securities Act, the Holder shall not sell, make any short sale of, loan, hypothecate, pledge, grant any option for the repurchase of, transfer the economic consequences of ownership or otherwise dispose or transfer for value or otherwise agree to engage in any of the foregoing transactions with respect to any Option Shares without the prior written consent of the Issuer or its underwriters, for such period of time from and after the effective date of such registration statement as may be requested by the Issuer or such underwriters (the **"Market Stand-Off"**). In order to enforce the Market Stand-Off, the Issuer may impose stop-transfer instructions with respect to the Option Shares acquired under this Option until the end of the applicable stand-off period. If there is any change in the number of outstanding shares of Common Stock by reason of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification, dissolution or liquidation of the Issuer, any corporate separation or division (including, but not limited to, a split-up, a split-off or a spin-off), a merger or consolidation; a reverse merger or similar transaction, then any new, substituted or additional securities which are by reason of such transaction distributed with respect to any Shares subject to the Market Stand-Off, or into which such Option Shares thereby become convertible, shall immediately be subject to the Market Stand-Off.

Section 4.3 **Noncomplying Transfers Invalid.** Any attempted transfer which is not in full compliance with this Article IV shall be null and void*ab initio*, and of no force or effect.

Section 4.4 **Legend on Stock Certificates.** Holder agrees that all certificates representing the Option Shares will be subject to such stock transfer orders and other restrictions (if any) as the Issuer may deem advisable under the rules, regulations and other requirements of the SEC, any stock exchange or other trading market upon which the Issuer's securities are then listed or quoted and any applicable federal or state securities laws or other applicable laws, and the Issuer may cause a legend or legends to be put on such certificates to make appropriate reference to such restrictions.

Section 4.5 **Administration**. The Board of Directors of the Issuer (the "**Board of Directors**") or its duly authorized delegate shall have the discretionary authority to administer and interpret the terms of this Option. Any determination by the Issuer and its counsel in connection with any of the matters set forth in this Option shall be conclusive and binding on the Holder and all other persons.

ARTICLE V. GENERAL.

Section 5.1 **Interpretation**. The Board of Directors of the Issuer will have the discretion to administer and interpret the terms of this Option. The members of the Board shall not be liable for any act, omission or determination taken or made in good faith with respect to this Agreement or the Option granted hereunder.

Section 5.2 **Entire Agreement**. This Option Agreement constitutes the entire agreement of the parties relating to the Option and supersedes all prior undertakings and agreements with respect to the subject matter hereof.

Section 5.3 **Notices**. Any notice required to be given or delivered to the Issuer under the terms of this Option Agreement shall be in writing and addressed to the Corporate Secretary of the Issuer at its principal corporate offices. Any notice required to be given or delivered to Holder shall be in writing and addressed to Holder at his address as set forth in the records of the Issuer or to such other address as such party may designate in writing from time to time to the Issuer. All notices shall be deemed to have been given or delivered upon: (a) personal delivery; (b) five (5) days after deposit in the United States mail by certified or registered mail (return receipt requested postage and fees prepaid); (c) two (2) business day after deposit with any return receipt express courier (prepaid); or (d) one (1) business day after transmission by facsimile.

Section 5.4 **Successors and Assigns**. The Issuer may assign any of its rights under this Option Agreement. This Option Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Issuer. Subject to the restrictions on transfer set forth herein, this Option Agreement shall be binding upon Holder and Holder's heirs, executors, administrators, legal representatives, successors and assigns.

Section 5.5 **Governing Law**. This Option Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law principles. If any provision of this Option Agreement is determined by a court of law to be illegal or unenforceable, then such provision will be enforced to the maximum extent possible and the other provisions will remain fully effective and enforceable.

Section 5.6 **Amendments.** This Option Agreement may be amended only in a writing signed by Issuer and Holder.

Section 5.7 **Waiver.** No waiver of any term or provision of this Option Agreement shall be effective unless made in writing and signed by the party against which it is being enforced. Any written waiver shall be effective only in the instance given and then only with respect to the specific term or provision (or portion thereof) of this Option Agreement to which it expressly relates and shall not be deemed or construed to constitute a waiver of any other term or provision (or portion thereof) in any other instance. No delay or omission to exercise any right, power or remedy accruing to any party hereto shall impair any such right, power or remedy of such party nor shall it be construed to be a waiver of any such right, power or remedy nor constitute any course of dealing or performance hereunder.

ARTICLE VI. ACCEPTANCE.

Section 6.1 **Acceptance of Terms**. Holder hereby acknowledges receipt of a copy of this Option Agreement. Holder has read and understands the terms and provisions thereof, and accepts the Option subject to all the terms and conditions of this Option Agreement. Holder acknowledges that there may be adverse tax consequences upon exercise of the Option or disposition of the Option Shares and that Holder should consult a tax advisor prior to such exercise or disposition.

Section 6.2 **Counterparts.** This Option Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, each of the parties hereto has executed or caused this Option Agreement to be executed on its behalf all as of the day and year first above written.

Issuer:

SUNTX CPI GROWTH COMPANY, INC.

By: /s/ Charles E. Owens
Name: Charles E. Owens
Title: President

Accepted by Holder:

/s/ Fred J. Smith, III
Fred J. Smith, III

Date: March 7, 2017

EXHIBIT A

FORM OF STOCK OPTION EXERCISE AGREEMENT

Holder: Fred J, Smith, III

Date: _____

STOCK OPTION EXERCISE NOTICE

SunTx CPI Growth Company, Inc.
290 Healthwest Drive
Suite 2
Dothan, AL 36303
Attn: Chief Legal Officer

Ladies and Gentlemen:

1. **Option.** I was granted an option (the *"**Option**"*) to purchase shares of the common stock (the*"**Shares**"*) of SunTx CPI Growth Company, Inc., a Delaware corporation (the *"**Issuer**"*), pursuant to the terms of my Stock Option Agreement (the *"**Option Agreement**"*) as follows:

Date of Option Grant:	_____
Number of Option Shares:	2,960
Exercise Price per Share:	$ 1.00

2. **Exercise of Option.** I hereby elect to exercise the Option to purchase the following number of Shares, all of which are vested shares in accordance with the Option Agreement:

Total Shares Purchased:	2,960
Total Exercise Price (Total Shares X Price per Share)	$2,960

3. **Payments.**

☐ I enclose payment in full of the total exercise price for the Shares and applicable withholding in the amount of $_____ and agree to make adequate provision for any additional federal, state, and local tax withholding obligations of the Issuer, if any, in connection with the exercise of the Option.

☐ I hereby request a Cashless Exercise procedure pursuant to Section 2.3 of the Option Agreement (only available if the Common Stock of the Issuer is publicly traded or if net cashless exercise or cancellation is provided under the terms of the transaction documents governing the Change of Control transaction that triggers the Exercise Period) to cover the total exercise price for the Shares and applicable withholding in the amount of $_____ and agree to make adequate provision for any additional federal, state, and local tax withholding obligations of the Issuer, if any, in connection with the exercise of the Option.

4. **Holder Information.**

My address is: _____

My Social Security Number is: _____

5. **Binding Effect.** I agree that the Shares are being acquired in accordance with and subject to the terms, provisions and conditions of the Option Agreement, including the obligation to become party to the Stockholders Agreement described in Section 3.3 therein, to all of which I hereby expressly assent. This Agreement shall inure to the benefit of and be binding upon my heirs, executors, administrators, successors and assigns.

I hereby represent that both the Option and any Shares issued upon exercise of the Option have been or will be acquired for investment for my own account and not with a view to or for sale in connection with any distribution or resale of the security. I understand that I am purchasing the Shares pursuant to the terms of the Option Agreement, a copy of which I have received and carefully read and understand.

Very truly yours,

_____

Fred J. Smith, III

Receipt of the above is hereby acknowledged.

SUNTX CPI GROWTH COMPANY, INC.

By: _____
Name: _____
Title: _____
Date: _____

Exhibit 16.1

January 26, 2018

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Ladies and Gentlemen:

This letter is being furnished to Construction Partners, Inc. (the "***Company***") at the Company's request pursuant to Item 304(a)(3) of Regulation S-K.

We have read the Company's statements included under the caption "Change in Accountants" in its Registration Statement on Form S-1 filed on January 26, 2018, and are in agreement with the statements contained in the second paragraph and the first sentence of the fourth paragraph within this caption.

We have no basis to agree or disagree with other statements of the registrant contained therein.

/s/ PBMares, LLP

Exhibit 21.1

Construction Partners, Inc.

List of Subsidiaries

Subsidiary	Jurisdiction of Incorporation/Formation
Construction Partners Holdings, Inc.	Delaware
C.W. Roberts Contracting, Inc.	Florida
Everett Dykes Grassing Co., Inc.	Georgia
Fred Smith Construction, Inc.	North Carolina
FSC II, LLC	North Carolina
Wiregrass Construction Company Inc.	Alabama

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the use in this Registration Statement on Form S-1 of Construction Partners, Inc. of our report dated December 20, 2017, relating to the consolidated financial statements of Construction Partners, Inc. and subsidiaries, appearing in the Prospectus, which is part of this Registration Statement.

We also consent to the reference to our firm under the heading "Experts" in such Prospectus.

/s/ RSM US LLP

Birmingham, Alabama
April 6, 2018